



Spices and Herbs

A SURVEY OF THE NETHERLANDS
AND OTHER MAJOR MARKETS IN THE EUROPEAN UNION



Centre for the Promotion of Imports from developing countries

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THE EUROPEAN UNION

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Searce

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CONTENTS

REPORT SUMMARY	5
1 INTRODUCTION	9
2 PRODUCT CHARACTERISTICS	11
2.1 Product groups	11
2.2 Customs/statistical product classification	12
3 THE NETHERLANDS MARKET	13
3.1 Consumption	13
3.1.1 Market size	13
3.1.2 Market segmentation	15
3.1.3 Consumption patterns and trends	21
3.2 Production	24
3.3 Imports	25
3.3.1 Total imports	25
3.3.2 Imports by product	26
3.3.3 The role of developing countries	32
3.4 Exports	34
3.5 Trade structure	35
3.6 Prices and margins	37
3.6.1 Prices	37
3.6.2 Margins	42
3.6.3 Sources of price information	42
4 THE EUROPEAN UNION MARKET	44
4.1 The European market summary	44
4.1.1 Consumption	44
4.1.2 Production	51
4.1.3 Imports	51
4.1.4 Exports	55
4.1.5 Market prospects	56
4.2 Profiles of the major EU markets	57
4.2.1 Germany	57
4.2.2 United Kingdom	61
4.2.3 France	65
4.2.4 Spain	69
4.2.5 Italy	72
4.2.6 Belgium	74
5 ACCESS TO THE EUROPEAN UNION MARKET	77
5.1 Quality and grading standards	77
5.1.1 Importance of research and development	77
5.1.2 EU standards	78

5.1.3 Dutch standards	79
5.1.4 ISO-NEN norms	80
5.1.5 Standards for organic spices and herbs	80
5.2 Packaging, marking and labelling	81
5.2.1 Packaging standards	81
5.2.2 Packaging requirements in the retail sector	82
5.2.3 Labelling	82
5.3 Trade-related environmental measures	83
5.3.1 Financial instruments in the EU	83
5.3.2 Sustainable development and ecolabels	83
5.3.3 Environmental standards	84
5.3.4 Hazard Analysis Critical Control Point (HACCP)	84
5.3.5 Issues related to spices and herbs	84
5.3.6 Sources of contamination	84
5.3.7 The use of pesticides	85
5.3.8 CBI's environmental efforts	85
5.4 Tariffs and quotas	86
5.5 Terms of the trade	86
5.5.1 The contract	86
5.5.2 Payment methods and delivery terms	87
5.5.3 Business practice	89
5.6 Promotion	91
5.6.1 Trade fairs	92
5.6.2 Trade press	94
5.6.3 Assistance with market entry	95
5.7 Checklist	96

APPENDICES

1 Product explanation / HS Codes	98
2 Detailed import/export statistics	105
3 Standards and standard organisations	119
4 Import tariffs for spices and herbs	128
5 Sources of price information	129
6 Trade associations	130
7 Trade fair organisers	132
8 Trade press	134
9 Trade promotion organisations	136
10 Other useful addresses	138
11 List of developing countries	141
12 List of Netherlands importers	142

REPORT SUMMARY

The EU is the second largest world market for spices and herbs. In 1997, the total EU import volume of 260,831 tonnes represented 28 per cent of the average imports of developed countries. In 1997, the total world production of spices and herbs was 4.5 million tonnes, of which 95 per cent was produced in developing countries and of which the majority is consumed in the domestic markets of these producing countries. The global spice trade has undergone major changes in the past few years. The industrial sector now accounts for nearly 60 per cent of the spice trade in developed countries and the retail sector has taken the second place.

In developed countries a higher proportion of working women (and hence double-earning households), single person households and the reluctance of people to spend too much time preparing meals are all factors stimulating higher consumption of meals in canteens, fast food outlets and restaurants and also of take-away foods. Eating habits have become more adventurous, with consumers turning more and more to ethnic cuisine and spicy foods. The ethnic food trend is reflected in higher consumption of spices, particularly pepper, capsicum (chilli), ginger, curries and coriander.

The Netherlands market

The total consumption of spices and herbs includes both the requirements for local consumption and the needs of the industries and packers for (re-) export markets. In 1997 the Dutch apparent consumption (imports minus exports) was estimated at 19,000 tonnes with a value of ECU 28.7 million. In 1997 Dutch consumers spent ECU 320 million on spices, herbs, sauces and mayonnaise, which is an increase of 15 per cent compared to ECU 280 million in 1993. The consumption of spices and herbs per head was 485 grams in 1997, which represents a value per head of ECU 4.29.

The *industrial sector* consumed 55 per cent of the total usage of spices and herbs. In 1997 the sales value of spices and herbs used in the food processing industry was estimated at ECU 717 million. Spices are required in most segments of the food industry, particularly in the processing of meat, sauces, soups, salad dressings, bakery goods and, to a larger extent, in prepared snacks, ready meals and other convenience foods. Because of the growing popularity and increased variety of pre-mixed ready-to-use spices the share of the industrial sector in the total market for spices and herbs is expected to grow further to the disadvantage of the retail sector.

The *retail sector* consumed 35 per cent of the total usage of spices and herbs. The value of the Dutch market for consumer-packed spices and herbs was estimated to be ECU 48 million in 1998. The single spices and herbs held a 50 per cent share of the market, a share which has been fairly static for the past few years. The ready-to-use spice segment, with a share of 37 per cent, has grown fast and is expected to grow further both because of the convenience of pre-mixed spices and the availability of more varieties of spice mixes in The Netherlands. Fresh and frozen herbs held 10 per cent and wet spices 1 per cent of the Dutch retail market respectively and are expected to grow further.

The *catering sector* consumed 10 per cent of the total usage of spices and herbs. The amount of spices used by the catering sector is relatively small but is now growing, reflecting the social trend towards more consumption of meals outside the home.

The only spices which are produced locally in The Netherlands are caraway and poppy seed, sweet peppers and some herbs. After Germany, The Netherlands, as the second largest importer, took a total volume of 53,485 tonnes or 20 per cent of all EU imports of herbs and spices in 1997. In the same year, Dutch imports amounted to a total of ECU 114 million, an increase of 75 per cent over imports in 1995. In 1997 pepper accounted for more than 30 per cent of total spice imports, while between 1995 and 1997 the import volume grew by 46 per cent. Other major increases were in the demand for capsicum, paprika, coriander, nutmeg, ginger and caraway, which together comprised the majority of imports to The Netherlands.

Indonesia is the single largest supplier of spices to The Netherlands. Between 1995 and 1997, the import volume from developing countries increased by 32 per cent to 33,196 tonnes. Since 1996, India and Vietnam follow Indonesia in order of importance as import sources of supply, while Brazil, China and Thailand are other significant sources. Between 1995 and 1997 Malaysia, Costa Rica, Grenada, Morocco and Nigeria became important suppliers.

The Netherlands is a sizeable exporter of spices and herbs owing to re-export activities and its long history in trade, which was established in the 17th century. In 1997 The Netherlands, with a volume of 33,791 tonnes, was the largest exporting country in the EU.

The EU market

In 1997 apparent consumption of spices and herbs in the EU was estimated to be 158,660 tonnes with a value of ECU 324 million. Gross imports fluctuate quite considerably around this figure due to the differing stock levels held by major trading companies at any one time and to the (re-) export trade between member countries of the EU.

Average consumption and the popularity of herbs and spices vary considerably from region to region in the EU. Consumption per capita is relatively low in Ireland and is much higher in Austria, Germany and The Netherlands. The Mediterranean regions of southern France, Spain and Italy have very low consumption of dried herbs, but use a lot of fresh material out of gardens or wild produce harvested in the mountains.

In 1998, the total industrial sector amounted to 53,900 tonnes with a value of ECU 494 million. Although it is a mature market, further growth is expected in the coming years. There are roughly 43 food ingredient manufacturers in the EU and the market is controlled by Daregal and McCormick. Vertically integrated food manufacturers, such as Nestlé and CPC, produce some of their own ingredients, including flavours. The major EU retail markets are Germany, France, United Kingdom, Spain and Italy because of their large population sizes. Over the past few years retail sales of spices and herbs in most EU countries have grown and in 1997 these amounted to ECU 1,050 million. The consumption of spices in the non-food sector, in pharmaceuticals and perfumery, is still small and does not have any significant effect on overall demand.

Few spices are produced in the EU. Paprika and saffron are produced in Spain and Italy. In 1997 the total volume of EU imports accounted for 260,831 tonnes and represented a total value of ECU 650.9 million. Between 1995 and 1997 almost all countries in the EU increased their imports of spices and herbs.

Germany is the largest EU market for spices and is the second largest in the world. It accounted for almost one quarter of all EU imports: in 1997, the quantity of imports was 60,857 tonnes with a value of ECU 158.3 million. Germany is followed by The Netherlands (20 per cent of EU imports in 1997), United Kingdom (17 per cent), Spain (11 per cent) and France (10 per cent). Other sizeable importers are Belgium and Austria, of which Austria is a large consuming country of pepper and paprika.

In 1997, pepper accounted for 27 per cent of the total spice import volume, capsicum/paprika for 23 per cent and ginger for 7 per cent. Pepper and paprika powder are both fairly well established and are widely used throughout the EU. Other important product groups are coriander, cinnamon, nutmeg, spice mixtures, caraway and cumin. Imports of the product group “other spices” have more than doubled, especially in ground form. This group includes anise, badian seeds, saffron, vanilla, fennel seeds and juniper berries.

The majority of all spices and herbs come from India, whose imports increased by 52 per cent between 1995 and 1997 to 29,370 tonnes, making India the main supplier of spices to the EU in place of Indonesia. The second largest importer to EU countries in 1997 was The Netherlands, followed by Indonesia whose volume of imports decreased by 20 per cent in 1997, although the value of Indonesian imports increased.

Other important sources for spices and herbs are: Germany, Brazil, Spain, China, Morocco, Turkey, Italy, Zimbabwe, Malaysia, South Africa and Vietnam, whose EU imports are growing in importance.

Market prospects

Consumption of convenience and ethnic foods is expected to increase because more and more people are eager to try the new and varied taste of foreign foods. But there is still a great lack of knowledge about the use of spices and herbs and about their origin. Also, the immigrant population is expected to grow further in most EU countries. In Southern EU countries consumption of spices still is low, although here national dishes remain unique and contribute to people's pride in their own individual countries despite the overall economic and political movement towards a unified Europe.

Opportunities

The usage of spices and herbs by consumers is increasing because they are appreciated as completely natural, rather than artificial, additives. Apart from being directly used by the industrial and catering sectors as well as consumers, they are also the starting points for the production of many flavours and components of flavours.

This implies that there is a growing market, although the retail market for spices and herbs will be restrained by the growing popularity of wet and dry cooking sauces, which already contain spices and herbs. Also, the ready-to-use segment will take a larger share in the retail market. In some EU markets there may be opportunities for private brands but most opportunities should be sought in the industrial sector.

As with any industry, blenders and packers are under pressure from food manufacturers to keep prices as low as possible. The food processing industry is extremely competitive, as is the distribution of food products through supermarkets. At the same time, there is

continual pressure to develop more and more products to give a wider variety of flavours, with a relative low increase in production costs. New authentic varieties of mixed spices and herbs, e.g. pimento, chillies, allspice (Jamaican pepper) etc., can be introduced here by exporters from developing countries.

There is growing demand for organic herbs and spices in the EU, although Dutch consumption is low relative to that in countries like Germany and Austria. Consumer sales of organic products now amount to about one and a half per cent of total EU sales of herbs and spices. The health food sector is a growing market, as industry and consumers focus more on healthy food and natural flavours as substitutes for sugar, salt and artificial products. Growing public concern over health and the increasing number of food scares may have a positive effect on the growth of the market in particular for fresh and wet herbs.

Constraints

Competitive issues in the industrial sector are quality and consistency of quality, followed by strong research and development in order to provide innovation and a variety of flavours. This emphasis on quality has led to a higher degree of customer loyalty. Food and drink manufacturers demand consistently high quality and so tend to stick with preferred suppliers who have proved themselves to be reliable. Partner shipping has led to joint developments of new products and price has been of secondary importance to quality but may become more important in the future. The degree of specialisation needed to be a successful flavour supplier and the barriers to be surmounted before entering the EU market are making it difficult for other companies to compete.

The trade channels most open to new exporters are those for the bulk sale of non-ground spices and herbs to importers/traders. There are several major reasons for the low demand for spices, which are processed and packed in the country of origin. Local importers, processors and packers have long-established links with their customers and are in a better position than distant processors to know the requirements and fluctuations of the local market and the needs of end users. Especially in the Dutch market, there has been an expertise in the “gathering” of spices and herbs for many years by the major grinders/processors and packers. They supply supermarket chains directly and are financially able to support exclusive contracts and advertising campaigns or to service in-store racks and stock control for spices and herbs. For these reasons the prospects for exporting processed consumer packed spices directly from the countries of origin are low and a very high percentage of spices and herbs imported are dried and cleaned but not otherwise processed.

1 INTRODUCTION

This survey deals with the Netherlands and the European Union markets for spices and herbs. The primary focus of the report is on spices, of which most trade statistics are available. The main purpose is to provide exporters in developing countries with a better insight into this competitive market. It should assist them to find the right market opportunities and to become familiar with the most suitable market segments for their spices and herbs.

The main product groups which are covered in this survey are explained in Chapter two, as well as their classification for customs and statistical purposes. Chapter three starts with a brief general review of the market size, trends, segments, consumer preferences and buying behaviour, giving an idea of the demand in the Dutch market for spices and herbs.

The following section in this Chapter reviews the significant production trade of The Netherlands, along with imports and exports. Detailed information is given on the role of the developing countries in Dutch imports of spices and herbs to The Netherlands. The remainder of this Chapter profiles the trade structure, including recent developments, of the main Netherlands importers, wholesalers and retailers, and gives an overview of prices and margins at the different distribution levels.

Chapter four reviews the EU in general, describing the countries in terms of geography, population, economy and infrastructure. A summary section highlights the similarities and differences between the national markets for spices and herbs and reviews the production, imports and exports in the major countries. The main part of this Chapter outlines the larger individual markets for spices and herbs: Germany, United Kingdom, France, Spain, Italy and Belgium. In a separate section at the end of this Chapter, the role of the developing countries in EU imports is explained in more detail.

Chapter five covers some more practical issues of access to the Netherlands and EU markets for exporters from developing countries. Information is given on regulations and quality standards for imported spices and herbs and suggestions are made for environmentally sound products suitable for the Dutch market.

This chapter concludes with a series of practical tips concerning the business practices and promotional tools often used in the food industry. A list of names and addresses of relevant trade fairs and magazines is included, along with a checklist showing the most important topics for exporters in developing countries.

A note should be made with respect to the use and interpretation of the trade figures. Since the establishment of the single EU market in January 1, 1993, the collection of data regarding trade flows has become more difficult. Prior to that date, trade was registered through compulsory Customs procedures at border crossings. Due to the removal of the intra-EU borders, this is no longer the case, so statistical bodies like Eurostat can no longer depend on the automatic generation of trade figures.

In the case of intra-EU trade, statistical reporting is only compulsory for exporting and importing firms whose trade exceeds a certain annual value. This threshold varies considerably from country to country, but it is typically about ECU 100,000. Statistical information on trade within the EU is consequently underestimated and must be carefully interpreted.

In this survey the ECU is used as currency although the EU countries all have still their own currencies. The ECU (European Currency Unit) is a monetary instrument used by financial institutions to simplify financial procedures. It is the aggregate valuation of the 12 original EU member currencies. Each currency has an equivalent value in ECU according to the value of the particular currency. On January 1, 1998, the exchange rate of ECU 1 amounted to US\$ 1.10. The economic and financial policy of the EU will be further centralised through the establishment of the Central European Bank, in January 1999. A single currency, the 'Euro', will be introduced by January 2002. The Euro will replace the ECU, which at present is only used as a calculating unit. By mid-2002, all national currencies should be replaced by Euro's.

2 PRODUCT CHARACTERISTICS

2.1 Product groups

The subject of this report is the market for spices and herbs. The main international trade is for spices and herbs, dried and in crude form, cleaned but not further processed. It is estimated that about 85 per cent of the trade is in this form. The remainder is for crushed or ground spices, essential oils or oleoresins. Information on related products may be found in the following CBI market surveys:

- Essential oils and oleoresins
- Health foods
- Pharmaceutical raw materials/products and medicinal herbs

The main spices and herbs covered by this market survey are:

Spices

Pepper
Paprika
Capsicum (chillies and cayenne pepper)
Coriander
Cinnamon
Ginger
Nutmeg
Caraway
Turmeric
Cumin
Cloves
Mace
Cardamom
Anise or badian seeds
Fenugreek
Saffron
Vanilla
Fennel/juniper

Herbs

Parsley
Marjoram
Oregano
Thyme
Bay leaves
Rosemary
Basil
Mint
Savory
Dill
Tarragon
Sage

Curries and mixtures of two or more spices are also included and are called “mixtures” in all chapters and trade statistics.

The ready-to-use spice mixtures, as described in section 3.1.2 are mixes of spices and herbs combined with salt and often with garlic, lemon, dried vegetables or other ingredients. Appendix 1 gives a description of each major spice/herb and its use.

2.2 Customs/statistical product classification

The HS code groups for spices and herbs covered by this survey are grouped under the headings in the following table. A detailed list of HS codes can be found in Appendix 1.

Only two herb varieties, thyme and bay leaves, have specific HS codes. There are no official figures on other herbs, which are generally classified in trade statistics either as “other spices” (HS code 091099) or “other vegetables” (HS code 070990). The relevant HS code groups for spices and herbs in this report are:

HS code	Product group
0904 11	Pepper of the genus <i>Piper</i> , whole (black/white)
0904 12	Pepper of the genus <i>Piper</i> , crushed or ground (black/white)
0904 20 10	Dried paprika (sweet peppers) of the genus <i>Capsicum or Pimenta</i> , whole
0904 20 31/35/39	Dried fruits of the genus <i>Capsicum or Pimenta</i> , whole (red/green peppers and chillies)
0904 20 90	Paprika powder of the genus <i>Capsicum or Pimenta</i>
0905	Vanilla
0906	Cinnamon and cinnamon-tree flowers
0907	Cloves: whole fruit and stems
0908 10	Nutmeg
0908 20	Mace
0908 30	Cardamoms
0909 10	Anise or badian seeds
0909 20	Coriander seeds
0909 30	Cumin seeds
0909 40	Caraway seeds
0909 50	Fennel or juniper seeds
0910 10	Ginger
0910 20	Saffron
0910 30	Turmeric – curcuma
0910 40	Thyme; bay leaves
0910 50	Curry
0910 91	Mixtures of two or more of the products of different headings
0910 99	Other spices

3 THE NETHERLANDS MARKET

3.1 Consumption

3.1.1. Market size

The Netherlands is a densely populated country with a total of 15.6 million inhabitants in 1997. The average GDP per capita in 1996 was 20,100 ECU and the service sector contributed about 67 per cent to the total GDP, being ECU 312 billion in 1996.

Although by itself a small consumer of herbs and spices in comparison with its neighbour countries, The Netherlands is an important intermediary in the world trade of spices and has a long tradition in this field. Apart from caraway seed and some fresh herbs, no spices are produced domestically in any significant quantity. In 1997 The Netherlands accounted for 21 per cent of all EU imports of spices and herbs. Large quantities are imported by Dutch traders for cleansing, reconditioning, blending and mixing to the specifications of different end users. In the same year about 65 per cent of the Dutch import volume was to Europe and North America.

The total consumption of spices and herbs includes both the requirements for local consumption and the needs of the industries and packers for (re-) export markets. In 1997 Dutch apparent consumption (imports minus exports) was estimated at 19,000 tonnes with a value of ECU 28.7 million. Variations in apparent consumption from year to year are caused not only by actual import and export volumes but also by the holding and releasing of stock by major traders in different periods.

Since the mid-1990s the apparent consumption of spices and herbs in The Netherlands has more than doubled in volume, as is shown in table 3.1. With its multicultural population there is a growing preference for ethnic food and an increasing interest in boosting the taste of traditional meals. Another important reason for this growth was the growing popularity among Dutch people for convenience food, e.g. ready meals or cooking sauces, in which all the adding of ingredients, including herbs and spices, has already been done. Dutch people also eat meals out of the home more often than before and commercially prepared foods tend to use higher concentrations of spices and herbs.

Table 3.1 Apparent consumption of spices and herbs in The Netherlands, 1993-1997

	1993	1995	1997
Volume in tonnes			
Imports	38,044	38,395	53,485
Exports	28,206	28,258	33,791
<i>Apparent consumption</i>	<i>9,838</i>	<i>10,137</i>	<i>19,694</i>
Value in ECU million			
Imports	65.5	64.3	114.8
Exports	60.5	58.8	86.0
<i>Apparent consumption</i>	<i>4.9</i>	<i>5.5</i>	<i>28.7</i>

Source: Eurostat

Pepper dominates the total spice demand in The Netherlands and accounted for 34 per cent of Dutch spice imports by volume in 1997. In the same year the apparent consumption of pepper was 5,510 tonnes, of which more than half was absorbed by the food processing industry and in particular the meat sector. In 1997 about 70 per cent of the sales of pepper in the Dutch retail market was of ground pepper. Ground white pepper is the top selling variety with a share of approximately 40 per cent, but black peppercorns with a 25 per cent share have shown significant growth since the mid-1990s.

At consumer level little attention is paid to the origin of pepper nor there is any attempt on the part of the producing countries to promote the qualities of their pepper directly to consumers. Spice grinders and packers, therefore, hold that pepper from various origins is generally interchangeable and the determining factor in their selection of a particular product is its price.

Other significant dried spices for the Dutch market are paprika (11 per cent of total import volume in 1997), coriander (8 per cent), cinnamon (6 per cent), ginger (5 per cent), nutmeg (6 per cent), and caraway seed (4 per cent). The ranges of ready-to-use spice mixtures for minced meat, which is very popular in The Netherlands, have expanded. Also, other varieties of spice mixtures for the Dutch such as those used in the Italian, French, Asian and Mexican cuisine have all been introduced with success. These new mixes have inspired Dutch people to try out favourite restaurant menus at home. For the grinder and processor this has given an opportunity to add value by designing special spice mixes for particular flavours with different or high quality ingredients.

Dried herbs are imported in their whole dried form, not crushed or ground, which means they have been roughly cleaned but not further processed. The demand for these is satisfied by imports, with the exception of parsley and dill, the only herbs which are grown on a reasonable scale in The Netherlands.

According to trade sources the import volume of dried herbs in 1997 amounted to 2,850 tonnes which is an enormous increase compared to about 1,550 tons per year in the early 1990s. The reason for this growth is the introduction of new herbal mixtures.

The increasing interest in the cuisine of other cultures has led to higher demand for individual herbs such as basil, oregano, sage, cardamom and ready-to-use herb mixes. Examples are: pizza-mix (Italian), mix Provençale (French), mix Toscane (Italian), shoarma-mix (Arabic), cajun-mix (Mexican), chicken Tandoori-mix (Indian), chicken Szechuan (China) and various mixes for other popular international dishes.

Parsley and marjoram are the most significant herb imports in volume terms, each accounting for about 20% of total herb imports. Other important herbs used by the food industry and in domestic cookery include oregano, thyme, bay leaves, rosemary, basil, dill, savoury, sage, mint and tarragon.

Fresh herbs are difficult to quantify because no official trade statistics are available. In the past they were only sold in garden centers in spring and summer. Fresh herbs, mainly parsley, celery, chives, dill weed, basil, coriander, mint, chervil, marjoram, oregano, rosemary and thyme are now retailed in major supermarkets alongside fresh fruit and vegetables. Consumers can buy them throughout the year in plastic hanging packs under

the supermarket's own label or in plastic pots that can be kept on the kitchen window sill to be used whenever needed.

Fresh herbs represent a growing niche market with several advantages. Consumers are encouraged to try "the real thing" (as opposed to dried herbs) by TV cookery programmes and the new range of recipes. They are seen by many consumers as being superior and more healthy and their limited preservability can be simply extended by freezing. Fresh herbs are now sold mainly in mixes, e.g. Provençale and Italian mixes.

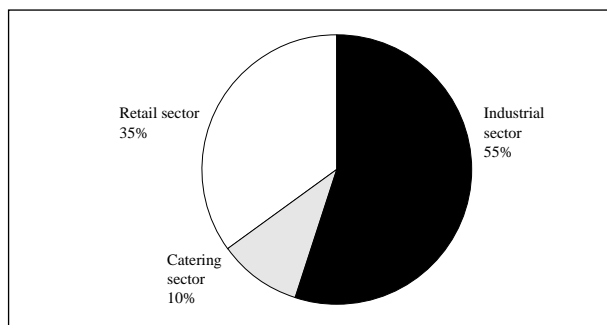
Further information on the volume of imports and the trends in major individual spices can be found in section 3.3.2 and in Appendix 2. With regard to the herbs, official trade statistics are available only for imports of bay leaves and thyme.

In 1997 Dutch consumers spent ECU 320 million on spices, herbs, sauces and mayonnaise, which is an increase of 15 per cent compared to ECU 280 million in 1993. The consumption of spices and herbs per head was 485 grams in 1997, which represents a value per head of ECU 4.29.

3.1.2 Market segmentation

The Dutch consumption of spices and herbs can be divided into three end-user segments. The largest proportion, 55 per cent of the total usage of spices and herbs, is consumed by the industrial sector. The retail sector consumes 35 per cent and the catering sector 10 per cent as is shown in figure 3.1.

**Figure 3.1 End use of spices and herbs in The Netherlands, 1997
(per cent of total usage)**



Source: CBS, 1999

■ Industrial sector

In 1997 the sales value of spices and herbs used in the food processing industry was estimated at ECU 717 million. Spices are required in most segments of the food industry, particularly in the processing of meat, sauces, soups, fish, vegetable products, salad dressings, bakery goods, chips, children's food and to a larger extent in prepared snacks, ready meals and other convenience foods. Because of the growing popularity and increased variety of pre-mixed spices the share of the industrial sector in the total market for spices and herbs is expected to grow further to the disadvantage of the retail sector.

The meat industry is the principal user of many spices, particularly pepper, nutmeg and mace. In 1997 more spiced variations of chicken meat were introduced as an alternative to "contaminated" pork (from the pest disease) or to beef (from the bovine disease BSE), being temporarily regarded by consumers as a serious threat to health. Pig farmers, obliged to reorganize, often switched to the production of chicken meat. Consumers were encouraged to eat chicken more and more often. Chicken is also perceived to be more healthy, low in fat, quickly prepared and easy to use in exotic dishes/snacks by the addition of some spice mixtures. During 1998 consumers returned to consuming more pork, which is still the most popular choice.

In 1998 the meat industry introduced variations of pre-spiced meat, appropriate for particular seasons or popular foreign dishes (e.g. spiced barbecue in summer, along with shoarma or cajun meat flavours). New variations were introduced more often throughout the year, which also proved to be successful. Specialist spice-mixing companies service the meat and bakery trades by producing ready-to-use spice mixtures for meat as well as for sausage factories and confectioners. They also produce consumer sachets of specific herb and spice mixtures, which are distributed by butchers' shops as point-of-sale material and more frequently in the supermarkets. Small sachets with spice mixtures are also packed together with various kinds of meat.

The food processing industry buys spices, herbs and mixtures according to its own very specific recipes and quality requirements. The service provided by blending companies nowadays has been extended to the preparation of ingredients which include not only spices or herbs but also other items such as salt, garlic powder, lemon, vegetables and other flavourings.

In the past few years combinations of spices with bouillon flavour enhancers or with basic extracts for soups (tomato, chicken and vegetable flavour) have proved to be successful and many new variations are being introduced into the Dutch market.

The demand for individual spices is declining relative to that for ready-to-use mixtures, which are now estimated to account for about 40 per cent of total industrial spicing requirements and this is expected to increase in 1998.

The major industrial users of (spice) mixtures include producers of snacks, soups, sauces, deep-freeze and oven-ready meals and catering products. Since consumers now often stir-fry potatoes and vegetables instead of boiling them in the traditional way, the Dutch retail market for ready-to-use sauce mixes for stir-fry potatoes and vegetables has been a very fast growing segment. There are French sauce mixes for potato dishes ("groentesmoor"),

Italian spice mixes for pasta dishes, as well as Mexican and Asian mixes to be eaten with rice or noodles.

This segment is expected to grow further because these special mixtures exactly meet busy housekeepers' needs for convenience. They give the variation people enjoy with their potatoes (still the favorite Dutch food) and vegetables, which can be baked or fried with a different flavour each time. Mixtures of herbs with dressings for salads as well as mixtures with mayonnaise ("aardappel anders") to bake potatoes in the oven, have also been popular in the Dutch market.

The market for sauces is about eight times larger than the market for herbs and spices and is still growing. At retail level this market is now worth about ECU 340 million, of which approximately 60 per cent are dry sauce mixtures and the remainder liquid mixes. The market for herbs and spices will be restrained by the growing popularity of wet and dry cooking sauces which already contain herbs and spices.

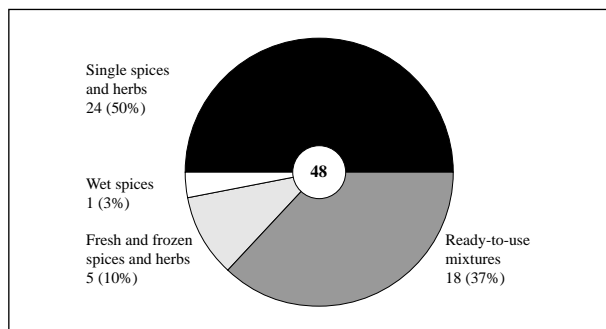
Nestlé with the brand *Maggi* and CPC with *Knorr* and *Conimex* (Indonesian sauces/spices) hold the leading positions as food processors for sauces and soups. *Honig* is a well-known Dutch maker of soups and of mixed spices with bouillon ("kruidenbouquet"). For mayonnaise and dip-sauces *Duyvis* and *Remia* are the leading brands.

The non-food industries in The Netherlands do not consume a high proportion of herbs and spices and have little effect on overall demand. The pharmaceutical industry purchases quite large quantities of herbs as a basis for certain teas and other non-prescription preparations, while the perfume and cosmetic industry are also customers for herbs.

■ Retail sector

Although there have been signs of decline in the volume of individual spices and herbs traded through the grocery trade in recent years, the major retail brands have stimulated demand by upgrading their product ranges, adding many new spices required for the preparation of newly popular exotic dishes and increasing their emphasis on the spice mixtures which form the basis for specific recipes or characteristic national/regional flavours. The value of the Dutch market for consumer-packed spices and herbs was estimated by van Sillevoldt Specerijen B.V. to be ECU 48 million in 1998. The Dutch market is segmented as follows:

Figure 3.2 Market shares of herbs and spices in The Netherlands, 1998
ECU million (in per cent of total market)



Source: Van Sillevoldt, 1999

New spices such as fennel and coriander are used in stir-fry meals and in salads. Single spices and herbs form the largest segment of the market and this has been fairly static for the past few years. Since 1997 sales of pepper have not grown and the share of all other spices is expected to decline, with the exception of hot spices such as chilies and curry spices. The ready-to-use spice segment has grown fast and is expected to grow further both because of the convenience of pre-mixed spices and the availability of more varieties of spice mixes in The Netherlands.

Ethnic food has become popular among a large group of consumers which has led to more demand for the required spices. Next to the authentic mixtures e.g. Chinese five spice mix and pimento, new mixes which are made in The Netherlands, have been introduced. The fresh and frozen herbs market will grow further. Fresh herbs are available to consumers throughout the year and are now often recommended in recipes.

The wet spice sector developed initially with the introduction of the popular Italian “pesto” but growth has been sustained with the introduction of spice blends in oils such as sunflower or sesame. The “freshly minced” range of herbs and spices also includes basil, coriander, or Provençale and other mixes. Because these are easier to use, have a fresh taste and can be stored for longer than fresh herbs, this segment is expected to grow rapidly, since the introduction of these products to the Dutch market in 1998.

The main single spices and herbs, regarded by the Dutch housewife as basic requirements for her kitchen, are pepper, paprika, parsley, marjoram, oregano, bay leaves, caraway, nutmeg, cinnamon, rosemary, basil and curry mixes. Other spices and special recipe mixes are viewed more as special and/or impulse purchases. In table 3.2 the top-selling varieties of dried spices and herbs are shown.

Table 3.2 The top-selling varieties of herbs and spices in The Netherlands, 1998

Product name	Main single spices and herbs in mixes
- Bay leaves	
- Mixed spices for minced meat	Nutmeg, curry, paprika, coriander, cayenne pepper
- Mixed “herbs” for minced meat	Nutmeg, white pepper, curry, paprika, chives, parsley, celery
- White pepper ground	
- Mixed for hash	Mace, white pepper, cloves, bay
- Oregano	
- Mixed spices for chicken	Curry, paprika, nutmeg, white pepper
- Black pepper whole	
- Paprika for minced meat	Paprika, cayenne pepper, nutmeg
- Parsley	
- Mixed spices for pork	White pepper, paprika, curry, coriander
- Curry	
- Mix for beef	Nutmeg, bay, cloves, black pepper
- Nutmeg	
- White pepper whole	
- Cinnamon	

Source: Van Sillevoldt, 1999

There is regular demand for mixes from the major brands for specific types of (minced) meat, poultry and fish, and also for the increasingly popular seasoning mixtures for stir-fried international dishes. The label of the sachet or container of the mixture usually features some tips on the most suitable use for the spice or herb and often a recipe for a dish in which it is typically used.

The consumers of spices and herbs can be divided into five segments:

- **Lazy diners** - who enjoy a wide variety of cuisines, eat out a lot, use ready-prepared food at home and who may work full time. They are typically between the ages of 16 and 40 years old. This group has grown fast in the past few years and was estimated in 1998 to be around 35 per cent of all spice and herb consumers. They like Chinese and Indian dishes, Italian pasta and pizza. The number of different varieties of spices and herbs they have at home was roughly estimated at 13 in 1997.
- **Traditional** - those who cook traditional plain food for the family, use recipe books, watch TV food programmes, look for new twists to old favourites, choose branded goods and who are brand loyal. This group was estimated in 1998 at around 20 per cent of all consumers but has become less in number over the past few years. They are mostly 40 years or older and prefer to have Dutch or French food. The most common meal in The Netherlands is potatoes, vegetables and minced meat. The number of spices and herbs this group has at home was roughly estimated at 13 in 1997.

- **Lazy traditional** - they are similar to those classed as traditional, but cook through necessity. The family rarely eats together and they eat more convenience foods. In 1998 this group was estimated to be around 20 per cent of all consumers and is likely to grow in number. The number of spices and herbs they had at home was roughly estimated at 10 in 1997.
- **Exotic** - this group loves cooking and experimenting; they follow new trends and seek out new products and inspiration in stores. They enjoy a wide variety of cuisines, often combined with entertainment and healthy eating. They are typically between the ages of 30 and 39 years old. Their most popular dishes are Asian (Indonesian, Indian, and Thai). This group is estimated to be around 18 per cent of all consumers and is likely to grow in number. The number of spices and herbs they had at home was roughly estimated at 18 in 1997.
- **Experimental** - this group enjoy food generally and seek new cuisines and experiences. They enjoy ethnic cooking, follow the latest trends, often eat out and express an interest in healthy eating. This group is estimated to be around 8 per cent of all consumers. The number of spices and herbs they used at home was roughly estimated at 19 in 1997.

The exotic and experimental consumers are the innovators in eating and cooking habits, a trend which is likely to be followed by the other groups.

The dominant spice brand on the Dutch market is *Silvo* (from the main spice grinder/processor Van Sillevoeldt B.V.) with about 70 per cent of the total market. *Euroma* (Euroma Produktie B.V.), *Verstegen* (J.H. Verstegen B.V.) and the *private brands* share the remaining 30 per cent. Since 1998 *McCormick* has stopped selling in the Dutch retail channel. All the main brands use service merchandising to distribute, promote and update their full spice ranges to the supermarket and grocery trades.

The private label AH range of spices promoted by the largest Dutch supermarket group Albert Heijn, who hold almost 30 per cent of the Dutch retail grocery market with 490 outlets, is also well established. A few other retail groups have small private label ranges but in their stores sales of the major brands are dominant.

Spices and herbs in small sachets are the most popular product bought by Dutch consumers, who tend to buy glass jars first and, when they buy refills, transfer the contents to the glass jars. Around 40 percent of spice purchases are refills; tins and glass jars account for 15 per cent of demand. The glass jars are marketed by one supplier and often are subsequently used to contain the product of another. Glass pots and plastic drums account for 6 per cent of the total, and tend to be bought only once for a specific spice. Spice mixtures in plastic drums for special recipes are sold in larger quantities, generally between 50 and 125 grams per unit. These now account for 35 per cent of the market and are growing in relative importance.

■ Catering sector

The amount of spices used by the catering sector is relatively small but is now growing, reflecting the growing social trend for more consumption of meals outside the home. The higher proportion of working women (and hence double-earning households), single person households and the reluctance of people to spend too much time preparing meals are all factors stimulating higher consumption of meals in canteens, fast food outlets and restaurants and also of take-away foods.

3.1.3 Consumption patterns and trends

Purchasing policies of traders, grinders and processors

Although spices and herbs are traded in a variety of forms, it is estimated that 85 per cent are marketed in the whole, unground state. The remainder is sold in ground form or as spiced essential oils and oleoresins. The only ground spices which are traded in any volume are paprika, curry powder and spice mixtures.

There are several major reasons for the low demand for spices which are processed and packed in the country of origin:

- **distinctive national taste** - The Netherlands, like all the individual countries and regions in Europe, has traditional and distinctive recipes, which demand different flavours and combinations of spices and herbs. Local companies, familiar with these needs, are best placed to prepare and blend the appropriate spices and mixtures;
- **ever stricter quality regulations** - the phytosanitary regulations for processed spices are stricter than those for spices in raw dried form. It is, moreover, far more costly and more difficult to clean contaminated ground spices than contaminated unground spices. Increasingly strict governmental regulations and the extremely high quality standards demanded by the food industry are such that few supplying countries can offer cleansed bacteria-free product to meet these requirements;
- **key service role of major dealers** - because of the above, spice traders/importers with processing facilities are a key link in the trade and are increasing their business. Their processing plants recondition original import material into ready-to-use single spices and mixtures as strictly specified in recipes from their customers in the food industry and catering and retail packing trade;
- **requirements of industrial users** - big end-users (the food industry, butchers, bakers, and retail packers) demand guarantees of constant quality, taste, aroma, colour and delivery reliability. They cannot risk “no stock” situations and therefore prefer to buy spices and spice mixtures prepared for them by Dutch or nearby EU processors and blenders. These processing companies are rarely dependent on one type or source of a specific spice in order to deliver a consistent supply of that named spice to their customers;
- **retail sector controlled by major brands** - import of consumer packaged spices and herbs is rare because of the strong control exercised on the retail sector by companies

with long established and heavily promoted brands. The control of supply to supermarkets is highly computerised. The main brands use service merchandising, which is essential with fast changing assortments of spices, herbs and ready-to-use spice mixtures in every season;

- **offers to buyers need to be professional** - occasionally specific spices and herbs are packed in the branded consumer packing by a foreign supplier under contract to the Dutch or multinational promoter of that brand. Since 1997 chilies and pimento have been in demand but here exporters need to have a good knowledge of the Dutch market, be consistent in delivery and be prepared to offer service locally.

However, the volume of consumer-packed spices and herbs entering international trade is tiny compared to the total trade in spices and herbs.

Eating habits of consumers and trends

Although the overall demand for spices and herbs in The Netherlands has grown, the average annual growth rate between 1995 and 1998 was 5 per cent as consumer preferences for different types of spices and mixtures change in accordance with a busier lifestyle. Recent demographic and social changes in the Dutch population have stimulated demand for a much wider variety of food than the traditional diet and for foods which are easy and quick to prepare. In the period from 1990 to 1998 the number of one- and two- person households grew from 61 to 66 per cent of all households in The Netherlands, being a total of 6.6 million households. The number of one-person households is expected to grow by 25 per cent to a total of 2.8 million in 2010. In addition, the proportion of women working outside the home has been steadily increasing and, as a result, there are now more households with double incomes.

- **Convenience foods**

The increasing demand for convenience foods for quick preparation in the (microwave) oven, for all types of snack foods and for fast food, affects the nature of demand for spices and herbs. Although price is a factor in the purchase of single spices, it seems to be of far less importance in consumer decisions to buy specific mixes and sauce bases. For consumers the distinctive flavour, the quality and the variety available are influences that are more important. After 1996 more and more ready-to-use spice mixtures especially for stir-fry dishes were introduced into the Dutch market.

- **Traditional Dutch home cooking**

Traditional Dutch home cookery favours the use of culinary herbs more than spices but the centuries-old trading link with the Far East means that spicy food has a well-entrenched place in Dutch eating habits. Indonesian and Chinese dishes are frequently prepared for family meals and dishes like “Saté”, “Babi Pangan” and “Nasi Goreng” are household words. More than three-quarters of the population sometimes buy take-away Chinese or Indonesian meals. In addition to these Far Eastern flavours, Italian pasta dishes feature regularly in Dutch family meals. Since 1996 stir-fry cooking has become popular in The Netherlands. Stir-fry vegetables became especially popular since this quick cooking method allows vegetables to keep more of their flavour and vitamins and are, therefore, perceived to be more healthy.

● **More variety and ethnic foods**

Interest in a wide range of international and ethnic dishes has been stimulated in recent years by foreign travel, the establishment of many different ethnic restaurants, the influence of the immigrant population and promotion both by the media and the food industry. Holidays to exotic destinations have influenced cooking. Younger people especially have become more open-minded towards less familiar flavours and tastes. This has stimulated growth in the number and variety of ethnic restaurants. Indonesian, Chinese, French and Italian restaurants have a long-established place in The Netherlands. Other national cuisines which have gained popularity in recent years are Greek, Thai, Indian, Mexican and regional Chinese. One of the fastest growing sectors is Mexican cookery – there are now 128 Mexican restaurants in The Netherlands and the sale of Mexican products through the grocery trade is growing steadily. Most consumer spice ranges now contain several Mexican spicy mixtures for the preparation of such dishes as chilli con carne, taco/minced beef fillings and salsa.

In 1998 the total immigrant population in The Netherlands was around 1.1 million people, which is expected to grow to 2 million in 2015. The most important immigrant population groups are those from Surinam and The Netherlands Antilles - a total of 422,000 in 1997, Turkey (260,000) and Morocco (240,000).

The majority live in the western part of The Netherlands, though many Indonesians live in the north. In 1997 the total Indonesian population in The Netherlands was estimated to be around 350,000. Other Asian immigrants in The Netherlands are from China (30,000), Vietnam (10,000), India (8,000), Pakistan (8,000), Philippines (6,000), South Korea (5,000) and Thailand (4,500). More than a tenth of the Dutch population were not born in The Netherlands. As families extend, later generations gradually integrate and share their foreign exotic cooking habits with the local population.

The food industry has been very active in promoting an interest in exotic foods as a promising growth sector, which can boost their overall sales. Advertising and media promotion of the cuisine of other regions of the world by means of television cookery programmes, women's magazines and leaflets and publications distributed by manufactures and supermarket chains have also stimulated demand. A growing number of supermarkets have a special area of shelf space devoted to authentic ethnic products, which are quick and easy to prepare. This has stimulated a wider range of consumers to make exotic dishes at home on special occasions e.g. when having friends over for dinner.

● **Convenience and variety**

Less and less time is spent in the preparation of food, but consumers are interested in extending the range of genuine ethnic and gourmet dishes they eat, provided the preparation is simple and quick. Food industry promotion of spice mixtures and sauce mixes with distinctive ethnic flavours has made this possible. Consumers do not have to purchase or even be familiar with the individual spices required for a particular dish, nor is there lengthy preparation time involved.

● Demand for ‘natural’ products and concern for the environment

Health foods, which are thought to make a positive contribution to good health and which are not harmful to the environment, are growing in importance. The rising demand for foods low in sugar and salt has motivated the development of specific spice and herb mixes as alternative flavours. Food manufacturers are using herbs as natural preservatives and anti-oxidants (for instance, oregano and rosemary are used extensively as anti-oxidants in sausages and other meat products). In general, there is a noticeable move away from artificial flavourings and colourings, and essential oils, oleoresins and extracts are growing in importance in the industrial seasonings sector.

There is growing demand for organic herbs and spices in the EU, although Dutch consumption is low relative to that in countries like Germany and Austria. Consumer sales of organic products now amount to about one and a half per cent of total EU sales of herbs and spices. The strongest brand for organic herbs and spices in The Netherlands is *Piramide*.

3.2 Production

The only spices which are produced locally in The Netherlands are caraway and poppy seed, small quantities of capsicum (red and yellow peppers) and some herbs for medical use (valerian, foxglove, lovage, dandelion and lobelia). The acreage under cultivation, especially of capsicum and caraway seed, has increased, with the harvest of caraway seed having increased from 484 tonnes in 1994 to 1,916 tonnes in 1997 as is shown in table 3.3.

Table 3.3 Production of caraway and poppy seed in The Netherlands, 1994-1997
1000 ha/tonnes

Spice	1994		1997	
	1000 ha	tonnes	1000 ha	tonnes
Caraway seed	0.3	484	1.8	1,916
Poppy seed	3.4	3,856	1.6	2,482

Source: LEI-DLO

Fresh herbs are mainly produced locally and traded within the Dutch market itself or with directly neighbouring countries. The main fresh herbs grown are those which are mostly used by the local market: parsley, celery, chervil, dill weed, mint, basil, chives, thyme, rosemary and coriander. Parsley and celery are the only herbs grown in sizeable commercial quantities for drying and further processing. The demand for fresh herbs in The Netherlands is expected to increase. International trade in fresh herbs is very limited and offers little prospect for new supplying countries.

Dried herbs are largely imported from Southern Europe and North Africa, where the cost of production and climatic conditions are much more favourable than in The Netherlands. Spices come from tropical climates and Dutch “production” consists mainly of freeze-drying or warm air drying, milling (if necessary) and packaging imported products.

3.3 Imports

After the unification of the EU in 1992, the customs authorities stopped recording the intra-EU trade in herbs and spices, and since then import and export figures have been based on reports given by the companies themselves. In the case of intra-EU trade, statistical reporting is only compulsory for Dutch exporting and importing firms, whose trade exceeds ECU 80,000 (NLG 175 thousand). Smaller companies, whose trade is below this level, are not obliged to report and are therefore excluded from these statistics. However, the customs authorities still register imports from non-EU sources, so the official statistics only give an indication of major trends and of the relative importance of individual importing countries, and do not represent the situation accurately.

All statistics specify total imports, divided into volumes/values sourced from EU countries (Intra-EU) and from non-EU countries (Extra-EU) with the values/volumes coming from developing countries. Developing countries as defined by the OECD, are listed in Appendix 11.

3.3.1 Total imports

Reference has already been made in Chapter 3.1.1 to the major significance of Dutch spice imports in the context of those of the EU as a whole. After Germany, The Netherlands, as the second largest importer, took 20 per cent of all EU imports of herbs and spices in 1997. In the same year, Dutch imports amounted to a total of ECU 114 million, an increase of 75 per cent over imports in 1995. The major increases were in the demand for pepper, capsicum, paprika, coriander, nutmeg, ginger and caraway seed, which together comprised the greater part of imports to The Netherlands.

In 1997 pepper accounted for more than 30 per cent of total spice imports, while between 1995 and 1997 the import volume grew by 46 per cent. Other important product groups are cumin, mace, turmeric and cloves. Imports of the product group “other spices” increased by 65 per cent between 1995 and 1997. This group includes anise, badian and fenugreek seeds, saffron, vanilla, fennel and juniper berries. The Dutch import volume of thyme and bay leaves almost doubled between 1995 and 1997. An overview of imports of the main product groups is given in table 3.4. A more detailed breakdown of all spices and herbs can be found in Appendix 2.

Table 3.4 Imports of spices and herbs to The Netherlands by product group, 1995-1997, ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	38,395	64,295	43,371	74,745	53,485	114,818
Intra-EU	6,753	14,421	7,043	16,568	7,553	18,685
Extra-EU	31,642	49,874	36,328	58,177	45,932	96,133
Developing countries	24,234	41,992	26,811	47,799	33,196	77,291
Pepper	12,393	28,036	13,960	31,326	18,201	60,545
Capsicum/paprika	5,827	9,944	4,947	10,283	6,175	11,739
Coriander	3,531	1,044	4,628	1,727	4,281	3,103
Cinnamon	3,260	5,035	3,189	4,870	3,268	4,545
Ginger	3,224	3,238	4,015	4,514	4,759	5,777
Nutmeg	2,489	3,155	3,643	4,633	4,166	7,362
Caraway	1,981	2,075	2,166	1,862	5,411	2,776
Mixtures	962	3,474	999	2,690	802	1,944
Turmeric	901	500	620	422	881	761
Cumin	815	835	969	1,081	948	1,296
Cloves	735	454	727	432	859	537
Mace	594	1,507	994	2,954	905	4,462
Thyme/bay	109	272	284	960	229	829
Curry	177	385	223	541	294	729
Other spices	1,397	4,341	2,007	6,450	2,306	8,413

Source: Eurostat

3.3.2 Imports by product

Dutch imports of the most important spices and herbs and their main non-EU supplying countries are shown in figure 3.3. Detailed statistics of pepper, paprika, capsicum, ginger, coriander, nutmeg, cinnamon, thyme and bay leaves are given in Appendix 2. Their development can be briefly described as follows:

Pepper

In the second half of the 1990s the domestic consumption of both white and black pepper increased, especially in that purchased by the industrial sector (meat and food processing, pharmaceutical and perfume industries). Demand from grinders and industry is less of a factor than price, because pepper forms only a very small proportion of their recipes or final product.

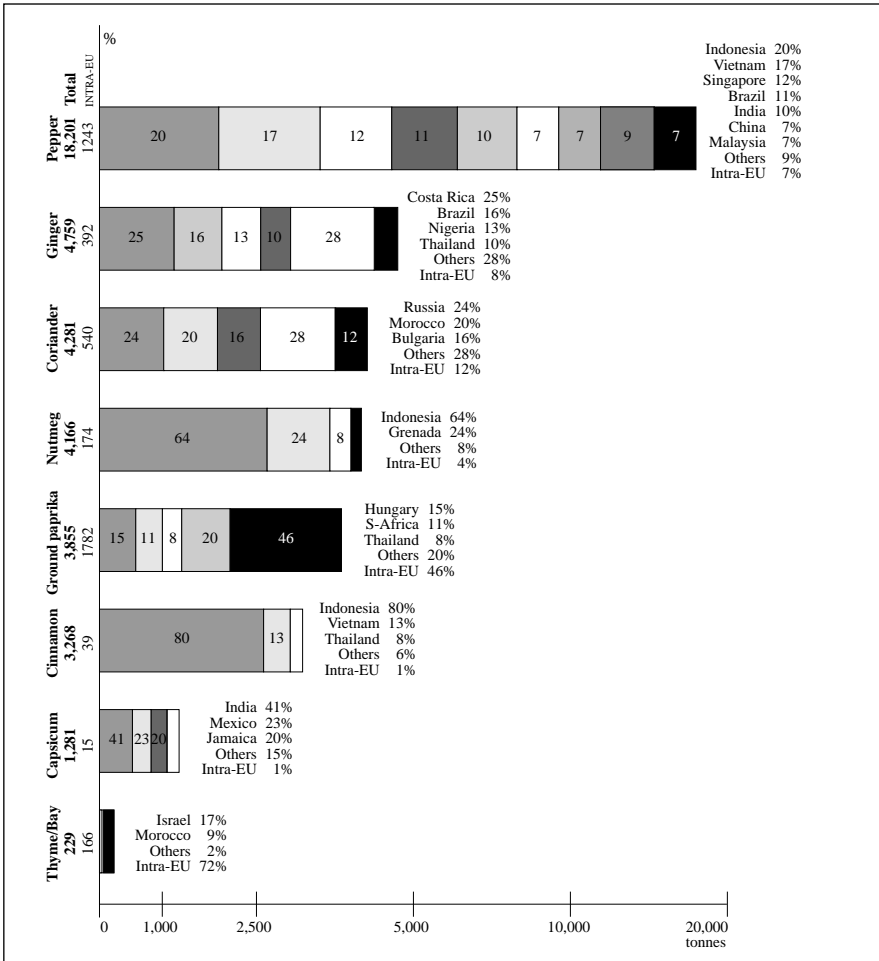
In The Netherlands there are two large pepper traders (Man Producten, Catz International) with world-wide interests in pepper handling.

In the late 1980s and early 1990s the world pepper market tended to stagnate because of low prices, the result of an over-supply in

the market. After 1993 prices recovered and the market became more dependent on the actual size of annual crops. Prices gradually increased and after a stock depletion due to bad weather, they reached a record level in late 1997. In the first half of 1997 The Netherlands increased its stock level, which explains the fact that Dutch imports were much higher than actual consumption that year.

Between 1995 and 1997 imports increased by 30 per cent to a total volume of 18,201 tonnes and almost doubled in value. The high value in 1997 was mainly due to higher prices of black peppercorns (called “Lampong”) from Indonesia, which is also a major supplier of white pepper (“Banga” or “Muntok”). In 1995 44 per cent of Dutch pepper imports came from Indonesia. In 1997 Indonesia suffered from an extreme drought and was severely hit by the economic crisis in South East Asia. In that year only 22 per cent of Dutch pepper imports came from Indonesia. Instead, more pepper came from Singapore, Brazil, China, Malaysia (Sarawak) and from new supplying countries like Vietnam and India.

Figure 3.3 Imports of spices and herbs by most important product group, 1997
Main suppliers as per cent of total volume



Source: Eurostat

Ginger

Ginger has grown in popularity in The Netherlands and is more used in ready-to-use mixtures by the industrial sector (butchery, bakery and food processors) and by grinders (spice mixtures for Indian, Indonesian and Chinese dishes). Between 1995 and 1997 imports increased by 32 per cent to a total volume of 4,759 tonnes, with a value of ECU 5.7 million. Costa Rica became the largest supplying country instead of Brazil. Other

significant suppliers are Nigeria, Thailand, India, South Africa and Nicaragua. Between 1995 and 1997 imports from China dropped from 682 to 80 tonnes. The United Kingdom, as a re-exporter, is an important source of supply within the EU.

Coriander

Together with cumin seed and turmeric this spice is an essential ingredient of curry powder and for other international meat or salad dishes of popular ethnic cuisine. In bakeries it is used in cakes, apple pies and stewed fruits. In volume terms coriander was the third most important spice imported to The Netherlands in 1997, but its value is less significant because of its low price per kilogram. The import volume increased by 20 per cent between 1995 and 1997 to 4,281 tonnes, while the total import value more than doubled due to stock shortage, because of bad weather conditions. Since 1996 less has been imported from Russia, previously the main supplier. Instead, large quantities, at a higher price, came from Morocco, Bulgaria, Hungary, Egypt and the Czech Republic. Within the EU, Belgium and the United Kingdom are important sources of supply.

Nutmeg

The Netherlands plays a central role in the world trade in nutmeg, importing whole nutmegs for cleaning and processing. A large proportion of those imports is re-exported, primarily to the USA and Germany. Imports increased to a total volume of 4,166 tonnes in 1997. Imports from Indonesia, the main supplier, have increased. Other suppliers include Grenada, Singapore, Sri Lanka, India and, to a lesser extent, Malaysia.

Mace

Because it is a by-product of nutmeg processing, the market for mace depends largely on developments in that trade. Demand for mace has increased because mace is increasingly used in the meat and food processing industries in the manufacture of sauces and spice mixtures for sauces and pickles. Between 1995 and 1997 the import volume of mace almost doubled and it was mainly sourced from Indonesia, Grenada, Vietnam and Singapore.

Paprika

Paprika powder is an important spice for the Dutch market and is used in a wide variety of spice mixtures for (minced) meat, stews, (dip) sauces and salad dressings. After a rise in the mid-1990s, the volume of Dutch imports showed a fluctuating pattern between 1995 and 1997 which amounted to 3,855 tonnes. This was part of an increasing trend in the value of imports. In 1997 the total import value amounted to ECU 7.5 million. Most Dutch imports came from European countries (Spain and Germany). Significant non-EU sources were Hungary, South Africa, Thailand, Yugoslavia and increasingly India.

Cinnamon Cinnamon is long established as a spice used primarily in the food industry, especially in bakeries. Between 1995 and 1997 the volume of Dutch imports grew slightly and now amounts to 3,269 tonnes, which represents a total value of ECU 4.5 million. Cinnamon, ground in the country of origin, accounts for almost 2 per cent of Dutch cinnamon imports. Indonesia dominates the supply of cinnamon to The Netherlands, with a share of 79 per cent of imports in 1997. Vietnam, with a volume of 420 tonnes accounted for 12 per cent. Other sources are the Seychelles, Madagascar, Sri Lanka, China, Singapore and Hong Kong.

Capsicum Capsicum accounted for 2 per cent of the total Dutch spice imports in 1997. Jamaica has been a major supplier, but from 1996 India became the most important source of capsicum. Other significant suppliers are Mexico, Malawi, Zimbabwe and South Africa. Sources within the EU are Italy and Belgium.

Caraway There is little demand for caraway seed in the bakery industry and it is rarely used in the Dutch kitchen (except for sauerkraut). The main usage is in Eastern Europe. Dutch import-export companies are very active in the trading of caraway seed mainly sourced from Lithuania, Latvia, and Estonia. Stockholding and price speculation causes large fluctuations in Dutch imports.

Thyme/bay Between 1995 and 1997 Dutch imports of thyme have doubled. In 1997 the import volume was 229 tonnes with a value of ECU 0.8 million. Sources within the EU, especially Spain and France, are important commercial producers of thyme. Israel is the key supplier of wild thyme, and crushed thyme mainly comes from Morocco and Germany. Egypt is a small supplier of thyme to The Netherlands. Turkey dominates the imports of bay leaves and supplied 86 tonnes in 1997, representing 76 per cent of total Dutch imports.

There are almost no up-to-date statistics available regarding the sources of herbs apart from thyme and bay. Many herbs are sourced from European growers. The following trade estimates regarding the Dutch imports of dried herbs were made in 1996:

Parsley The import volume was 400 tonnes and represented 25 per cent of Dutch imports of herbs. The main suppliers were Germany, France, Hungary and Israel.

Marjoram The import volume was about 400 tonnes. The main suppliers were Egypt, Israel, France and Chile.

Oregano	The import volume was 150 tonnes and represented roughly 10 per cent of Dutch imports. The main suppliers were Chile, Turkey and Greece.
Rosemary	The import volume was 80 tonnes, mainly from Spain.
Basil	Imports were also about 80 tonnes. The main suppliers were Chile and Egypt.
Others	Imports of mint were 50 tonnes, mainly from Morocco. Dill came from Germany, France and Morocco and tarragon mainly from France and Hungary. Israel is a major supplier of fresh herbs.

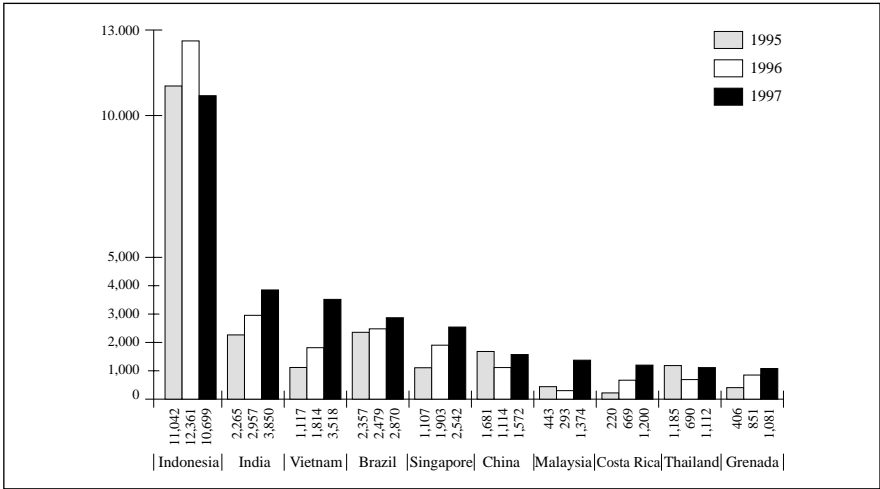
Organic herbs and spices

Organic forms of all herbs and spices are now available on the international market. Apart from the wide variety of organic herbs and some spices which originate in Western Europe imports are also sourced in the following areas:

Eastern Europe	paprika, capsicum, fenugreek, caraway seed, coriander, parsley, other herbs;
Turkey	oregano, bay leaves;
South/Mid-America	paprika, cardamom, ginger, nutmeg/mace, turmeric;
India	pepper, ginger, nutmeg/mace, turmeric;
Egypt	cumin, fennel, marjoram, other herbs;
Israel	capsicum, thyme;
Indonesia	cinnamon, cloves, vanilla;
Madagascar	vanilla.

A detailed overview of the sources of Netherlands imports can be found in Appendix 2. The leading supplying countries are shown in figure 3.4.

Figure 3.4 Main non-EU suppliers of spices to The Netherlands, 1995-1997
Volume in tonnes



Source: Eurostat

Indonesia is the single largest supplier of spices to The Netherlands. The country’s dominant role in the world supply of pepper and the major share of this spice in total Dutch imports are major reasons for Indonesia’s share of nearly 20 per cent of the total volume of imports in 1997. However, the role of Indonesia as a major source has declined in relative importance since then.

The majority of spices came from developing countries, which represented more than 60 per cent of the total Dutch import volume in 1997. The market share of other EU countries in the supply of spices and herbs fell from 22 per cent in the early 1990s to 14 per cent in 1997. Germany, as a major (re-) exporter of spices from origin countries, is the largest supplier. Spain and Italy were substantial producers and exporters of paprika and saffron.

Some individual supplying countries play a major role as the source of single spices, though they do not feature as key suppliers in terms of total imports. This applies, for instance, to cloves (key sources are Madagascar, Comoros), vanilla (Madagascar, Mauritius), cardamoms (Guatemala), anise (Turkey, Syria) and bay leaves (Turkey).

3.3.3 The role of developing countries

Between 1995 and 1997 the proportion of imports from developing countries has declined slightly from 63 to 62 per cent. This was due to increased imports mainly of paprika and coriander seed from Eastern Europe (Lithuania, Bulgaria and Hungary). Another reason was a rise in the imports of pepper, ginger and nutmeg from Singapore, which is the main trading centre in South East Asia.

The import volume from developing countries in the same period increased by 32 per cent to 33,196 tonnes. In terms of value, there was an increase of 75 per cent and the total value reached ECU 77.2 million. Since 1996, India and Vietnam occupy second and third place respectively after Indonesia in order of importance as import sources of supply, while Brazil, China and Thailand are other significant sources. Between 1995 and 1997 Malaysia, Costa Rica, Grenada, Morocco and Nigeria became important supplying countries of spices and herbs to The Netherlands. The importance of developing countries in the supply of each product group is shown in table 3.5. A list of developing countries, as defined by the OESO can be found in Appendix 11.

Table 3.5 Imports of spices and herbs into The Netherlands from developing countries, 1997 (tonnes)

	Total imports	From DC's	% per product group	% of total DC's* supply
All groups	53,485	33,196	62	100
Pepper	18,201	13,016	71	40
Capsicum	6,175	2,774	45	8
Coriander	4,281	978	23	3
Cinnamon	3,269	3,198	98	9
Ginger	4,759	4,235	89	12
Nutmeg	4,166	3,794	91	11
Caraway	5,411	44	1	0
Turmeric	881	858	97	3
Cumin	948	771	81	2
Cloves	859	847	98	3
Mace	905	824	91	3
Mixtures	802	357	44	1
Thyme/bay	229	22	1	0
Curry	294	236	80	1
Other spices	2,036	1,242	53	4

Note: *DC = Developing country

Source: Eurostat

Most spices are sourced in developing countries except coriander, caraway and the herbs thyme and bay. Developing countries dominate the supply of cinnamon, cloves, turmeric, mace, ginger, cumin, curry and pepper to The Netherlands. Between 1995 and 1997 there was an increase in the supply of pepper, capsicum (including paprika), coriander, ginger, nutmeg, curry as well as thyme and bay from developing countries.

In 1997 pepper accounted for 40 per cent of the total, taking the largest proportion of total Dutch imports from developing countries. Ginger, nutmeg and cinnamon took approximately 10 per cent each.

3.4 Exports

The Netherlands is a sizeable exporter of spices and herbs owing to re-export activities and its long history in trade, which was established in the 17th century. In 1997 The Netherlands, with a volume of 33,791 tonnes, was the largest exporting country in the EU. As is shown in table 3.6, in that year the total export value amounted to ECU 86 million. Almost 85 per cent of Dutch exports went to other EU countries.

Between 1995 and 1997 exports grew by 20 per cent. Dutch exports grew in value by 45 per cent, mainly because of rising prices for pepper and nutmeg. Unground pepper is the major export product, accounting for 40 per cent of exports in 1997. The other main export products, in order of their share of total spice exports in 1997 are: spice mixtures (9 per cent), nutmeg (8 per cent), caraway (8 per cent), coriander (7 per cent), capsicum/paprika (7 per cent), ginger (6 per cent) and cinnamon (5 per cent).

Major destinations in the EU are Germany, which took 44 per cent of Dutch exports in 1997, Belgium (10 per cent), United Kingdom (9 per cent), Austria (7 per cent), France (4 per cent) and Sweden (3 per cent).

Non-EU destinations are the USA (4 per cent) and Russia (2 per cent).

Table 3.6 Exports of spices and herbs by The Netherlands, 1995-1997
ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	28,258	58,814	29,150	59,378	33,791	86,028
Intra-EU	23,015	49,536	24,168	51,886	28,198	75,915
Extra-EU	5,243	9,278	4,982	7,492	5,593	10,113
Pepper	10,105	25,976	8,575	22,549	13,528	46,249
Capsicum/paprika	2,166	5,730	2,194	5,785	2,349	6,704
Mixtures	3,168	8,032	3,343	8,739	3,146	7,873
Nutmeg	2,010	3,265	2,148	3,902	2,680	6,336
Caraway	3,515	5,168	2,759	2,979	2,621	1,912
Coriander	2,233	1,125	3,703	2,172	2,389	2,008
Ginger	1,314	1,932	1,816	3,344	2,087	3,657
Cinnamon	1,474	3,275	1,805	3,724	1,720	3,501
Mace	283	835	646	2,124	613	2,916
Cumin	448	575	315	446	526	643
Cloves	303	288	289	290	355	363
Turmeric	308	330	260	325	273	433
Curry	240	532	238	499	253	514
Thyme/bay	38	87	74	174	77	234
Other spices	653	1,664	985	2,326	1,174	2,685

Source: Eurostat

3.5 Trade structure

3.5.1 Distribution channels

Herbs and spices normally have the same trade structure and distribution channels and very few traders deal exclusively in herbs. The bulk of the trade enters The Netherlands through a small number of major brokers and trader/importers. In the past few years direct trade between medium sized and large producers/exporters in developing countries and grinders/processors in consuming markets has become more prevalent. Typically the main parties involved in the distribution of spices and herbs are:

■ Agent/broker

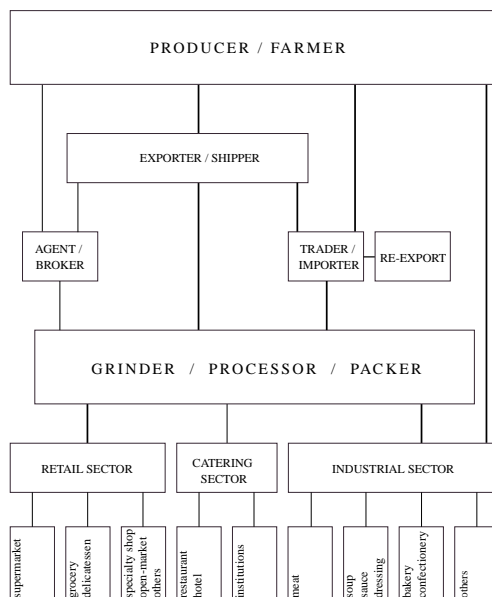
These are independent companies which negotiate and settle business on the instructions of their principals and which act as intermediary between buyer and seller. They do not buy and sell on their own account.

■ Traders/importers

These specialised traders import on their own account and sell to grinders/processors and to major end users. They mainly buy bulk quantities of unground spices and resell them at an increased price. The importer is responsible for all costs associated with the importation, such as duty, terminal fees, unloading charges, local delivery and warehouse costs. Larger importers clean and grind spices and herbs before exporting them to other EU and North American markets. Smaller traders import some herbs and spices directly but they also buy from larger traders who can offer them better conditions and delivery terms on small quantities of more specialised items. These smaller traders distribute spices and herbs to blenders, packers and end users in the food trade. The major international trading centres for spices are New York, Rotterdam, London, Hamburg and Singapore.

The most important Dutch spice and herb trading companies are Man Produkten Rotterdam B.V., Catz International B.V., Holland Produce B.V., Verstegen International B.V. and Van Eeghen International B.V. (especially for herbs). In addition, the Dutch company Euroherb is an important international trader in organic herbs and spices.

Figure 3.5 Distribution channels for spices and herbs



■ Grinders/processors

They purchase the raw spices and perform cleaning, grinding and packaging. They have central warehouses for distribution throughout a specific area or they deliver direct to the distribution centres of supermarkets.

Large blenders and packers are increasing their direct purchases of spices and herbs from producers/exporters but purchasing through importers/traders is also very significant. This latter channel ensures that they can buy and receive supplies of specific spices throughout the year. They tend to hold only small stocks and, although they place orders covering their requirements over a long period, they expect deliveries against these orders to be spread over short and frequent intervals. By purchasing from an intermediary the risk of late deliveries, poor harvest/supply from individual sources and quality problems are reduced. In addition, the services of specialised traders are important for obtaining small consignments of very special requirements at short notice and at competitive prices. Important Dutch processors/packers include Van Sillevoldt Specerijen B.V., Verstegen Specerijhandel C.V., Euroma Produktie B.V., Unifine Industrie B.V, Huybrechts Groep and Degens B.V.

■ End users

The largest user group is the industrial sector in which the meat and food processing industries take the largest volumes. Requirements are purchased either from blenders and

packers or direct from importing/trading companies. Some industries have joint arrangements with producers to ensure regular supplies and maintain quality standards and specifications of the spices concerned. Another user group is the catering sector: restaurants/ hotels and institutions (hospitals, schools etc.).

Supermarkets dominate the Dutch retail sector with around 85 per cent of the total market. Spice grinders/processors persuade supermarkets to display more spices and herbs on the usual shelf which is near the sauces and soups. But recently they also recommend to display along other spice/herb related products. Examples of this are salad seasonings, displayed with salad vegetables, or chicken seasoning with chicken or near the fresh meat. This method of displaying complementary products near each other is also used by suppliers of wet and dry cooking sauces, with the result that such sales' "hot spots" in supermarkets are keenly sought-after.

Independent grocers, delicatessens, speciality shops (butchers, bakers, spice shops, Indonesian food shops etc.) have a small share. They are important suppliers to large ethnic communities. Even if they have a small market share, they are important for grinders, since they offer higher profit margins and do not compete with the private labels of supermarkets. Spices and herbs can also be found at open markets.

The functional distinctions between the different types of traders described above have become blurred in recent years because of structural changes in the trade and a decline in the number of brokers and traders in Western Europe as a whole. Different types of trading activity are often carried out at the same time within one company.

The trade channels most open to new exporters are those for the bulk sale of non-ground spices and herbs to importers/traders in The Netherlands. Local importers, processors and packers have long established links with their customers and are in a better position than distant processors to know the requirements and fluctuations of the local market and the needs of end users. They supply supermarket chains direct and are financially able to support exclusive contracts and advertising campaigns or to service in-store racks and stock control for spices and herbs.

For these reasons the prospects for exporting processed consumer packed spices directly from the countries of origin are low and a very high percentage of spices and herbs imported are dried and cleaned but not otherwise processed.

3.6 Prices and margins

3.6.1 Prices

In the past, speculation by major buyers has been a feature of the trade in spices and herbs. In the mid-1980s pepper prices reached a peak. These high prices encouraged additional planting by pepper growers, leading to an oversupply. For many items in the spice range, there has been world-wide over-production in recent years and a stagnating demand. This has caused price levels to decrease steadily, with prices reaching an absolute minimum in 1991, when in some cases the market price descended below the cost of production. These low prices caused producers to lower their production, which in turn reduced the available supply in world markets, so that price levels increased again between 1993 and 1995.

In the case of pepper, the price rose very quickly through 1993 and 1994 but poor demand caused a decline in 1995. After 1996 the price of pepper increased again, because of poor harvests caused by bad weather conditions. In November 1997 both black and white pepper prices reached a record level because of a depletion of world pepper stocks. The prices of cumin and coriander also rose, for similar reasons to those of pepper. After January 1998, prices in most trading markets world-wide eased and, despite a fall in demand, a complete liquidation of stock in both producing and importing countries was necessary to match supply with demand. From 1998, traders operated on a hand-to-mouth basis and were not willing to take any risks in their trading activities by replenishing their stocks of pepper.

The price of herbs is rising as a result both of increased supply costs (production, processing, and freight) and increased demand. Unlike mint, parsley, oregano, thyme and sage, few herbs are in sufficient demand to encourage their widespread commercial cultivation. The cultivation of most herbs can be expanded fairly quickly. Therefore, even if supplies in the short term are relatively static (with generally only one harvest per year), they are much more elastic over the long term. It is unusual for the price of herbs to remain high for several successive seasons.

In supermarkets, the pack sizes of spices and herbs from suppliers tend to be uniform, but pack contents vary enormously in weight. However, consumers are much more interested in buying specific ingredients for the recipe they are trying to follow than in comparing the pack contents to price ratio. They are likely to assume that similar pack sizes contain similar contents, which is far from the truth. Typically the rate at which consumers use herbs and spices is slow and therefore price does not have a high level of influence on the decision to purchase. There is often little or no difference between retail prices for the same items in different supermarkets or in other retail outlets.

Table 3.7 Retail prices of selected spices and herbs in The Netherlands (1999)

Nr. photo/category	Description	Brand	Package	Size gram	Retail price in ECU (incl. 17% VAT)
1. Single	White pepper	Silvo	packet	18	0.49
(Spices, packets)	W. pepper (whole)	Silvo	packet	18	0.62
	Paprika powder	Silvo	packet	15	0.53
	Nutmeg (ground)	Silvo	packet	15	0.71
	Nutmeg (ground)	Euroma	packet	15	0.49
	Black pepper	Silvo	packet	18	0.53
	Chicken mixed	Silvo	packet	25	0.53
	Curry	Silvo	packet	15	0.53
	Curry (authentic)	Rani/Moksi	packet	80	0.62
2. Single	Minced meat mix	Silvo	glass jar	55	1.25
(Spices, jars)	Cloves	Silvo	glass jar	30	1.43
	Mix for saté	Euroma	glass jar	40	1.56
	Coriander	Conimex	glass jar	25	0.67
	Coriander	Priv. label	glass jar	30	1.20
3. Single	White pepper	Verstegen	plastic jar	50	0.56
(Spices, tins)	White pepper	Ster	tin	50	0.39
	Paprika powder	Ster	tin	50	0.34
	Curry	Ster	tin	50	0.31
4. Single	Bay leaves	Silvo	packet	5	0.53
(Herbs, packets)	Thyme	Silvo	packet	4	0.58
	Herbs Provençale	Silvo	packet	4	0.53
	Chives (organic)	Piramide	packet	10	1.95
5. Single	Parsley	Silvo	jar	10	1.25
(Herbs, jars)	Mix Toscane	Euroma	jar (luxury)	16	1.65
6. Ready-to-use mix	Minced meat	Silvo	packet	40	0.57
(packets)	Chicken Tandoori	Silvo	packet	25	0.57
	Stir-fry sweet/sour	Silvo	packet	65	0.89
7. Ready-to-use mix	Hachee	Verstegen	sachet	10	0.18
(small sachets)	Mix spice bags	Honig	5 bags	13	0.44
8. Ready-to-use mix	Paprika mix	Maggi	sachet	50	1.02
(large sachets)	Dip sauce mix	Duyvis	sachet	6	0.43
9. Ready-to-use mix	Barbeque mix	Silvo	drum	120	1.25
(drums)	Aromat	Knorr	drum	80	1.07
10. Wet herbs (oil)	Basil	Silvo	glass jar	50	1.61
(jars)	Herbs Provençale	Silvo	glass jar	50	1.61
11. Fresh herbs	Parsley	Green Pack	bag	30	1.69
(bags)	Coriander	Green pack	bag	15	1.99

Source: Store checks (Albert Heijn, Vomar, Dekamarkt) February 1999



1. Single spices
(packets)



1. Single spices
(authentic curry)



2. Single spices
(jars)



3. Single spices
(plastic and aluminium tins)



4. Single herbs
(packets)



5. Single herbs
(jars)



6. Ready-to-use mix
(large and small packets)



7. Ready-to-use mix
(small sachets, bags)



8. Ready-to-use mix
(large sachets)



9. Ready-to-use mix
(drums)



10. Wet herbs (oil basis)
(jars)



11. Fresh herbs

3.6.2 Margins

The margins charged by different intermediaries in the spice and herb trade are influenced by many different factors. These include the type of spice or herb, the current and expected future harvest situation, the availability or number of sources for the particular spice, the level of demand and the trend in prices. All these factors make it extremely difficult to provide information on typical margins in the trade. The following are very rough guidelines on the mark-up added to the buying price by each type of trader:

Agent/broker	2-5 per cent
Importer/trader	10-15 per cent
Grinder/processor/packer	20-25% (this includes packing but may be much higher depending on the costs of marketing , e.g. for a consumer retail spice brand)
Retailer	30-40% (excl. VAT)

Spices and herbs are particularly attractive products for retailers because of their direct product profitability (gross profit less handling and display costs). The shelves from which they are sold hold a large amount of stock, which is only depleted slowly for an average retail price ECU 0.70 per item. The cost of staff to keep the shelf filled is minimal since merchandisers, who are employed by the supplier, undertake this task.

3.6.3 Sources of price information

In general, exporters should receive regular information from their business partner in The Netherlands. Major brokers and traders publish regular market reports to advise their customers about supply, demand and price developments.

Many factors, such as the type of spice or herb, its origin, its quality, the method of drying or cleaning and predictions about the forthcoming harvest(s), can cause considerable fluctuations in both the physical and the futures market for different spices. It is essential that the exporter obtains regular information on prices and market trends.

An on-line computer connection to all countries, through the Internet, makes it possible to follow the latest news and find the best offers on a daily basis. The Market News Service of the ITC (International Trade Centre) is in direct contact with one central reception point in all supplying countries and publishes up-to-date price information in a regular bulletin. This service was established to assist exporters in developing countries by providing the latest news on prices and trends, as well as details of supply and demand in the importing markets of herbs and spices. The MNS, located in Geneva, collects the information by telephone, fax and e-mail. The information is gathered, analysed, then transmitted immediately to all participating developing countries.

Exporters who wish to subscribe to this service should contact the ITC. In order to obtain information on the MNS locally, exporters can contact either their export/trade promotion organisation or their exporters' association.

Three published sources of information are listed below. The addresses can be found in Appendix 5

ITC - International Trade Centre	Market News Service (MNS), fortnightly bulletin
The Public Ledger	Weekly publication on commodities with overviews of global market prices
International Pepper Community	Publishes the International Pepper News Bulletin

4 THE EUROPEAN UNION MARKET

4.1 The European Union market summary

4.1.1 Consumption

Since 1 January 1995 the EU consists of 15 member states and in 1997 the size of the EU market totalled 373 million consumers with an average GDP per capita of ECU 18,100 in 1996. In 1997 the total world production of spices and herbs was 4.5 million tonnes, of which 95 per cent was produced in developing countries and of which the greater part is consumed in the domestic markets of these producing countries.

All the developed countries (EU, North America, Far East, Eastern Europe and Northern Africa) jointly imported a total of 774,365 tonnes of spices and herbs in 1997. This is an increase of 62 per cent compared to 478,168 tonnes in 1992. After the USA, the EU is the second largest world market for spices and herbs. In 1997 the total EU import volume of 260,831 tonnes represented 28 per cent of the total imports of spices and herbs by developed countries.

In 1997 the EU apparent consumption (imports minus exports) was estimated to be 158,660 tonnes with a value of ECU 324 million. Gross imports fluctuate quite considerably around this figure due to the differing stock levels held by major trading companies at any one time and to the (re-) export trade between member countries of the EU.

Table 4.1 Apparent consumption of spices and herbs in Europe, 1993-1997

	1993	1995	1997
Volume in tonnes			
Imports	187,923	219,962	260,831
Exports	70,670	90,483	102,171
<i>Apparent consumption</i>	<i>117,253</i>	<i>129,479</i>	<i>188,660</i>
Value in ECU million			
Imports	332.8	450.0	650.9
Exports	200.3	244.4	326.9
<i>Apparent consumption</i>	<i>132.5</i>	<i>205.6</i>	<i>324.0</i>

Source: Eurostat

By far the most important spices for EU consumers in quantity terms are pepper and paprika powder. Most spices are imported and few spices are produced in the EU, so import figures give only an indication of overall demand.

Pepper and paprika powder are both fairly well established and are widely used throughout the EU. In 1997 pepper and capsicum (including paprika powder) accounted for 50 per cent of total spice import volume. In that year, 70,517 tonnes of pepper and 60,208 tonnes of capsicum were imported by EU countries, with total import values of ECU 251 million and 131 million respectively.

With regard to pepper, the preferences for countries of origin by industrial users vary from country to country. Spice extractors generally favour black pepper from Indonesia (Lampong) and India (Malabar), while salami-makers in Italy have a strong preference for the Indian Bold Tellicherry black pepper. Although white peppers from Brazil are preferred by several EU importers because of their clean appearance and uniform size, the white peppers from Malaysia (Sarawak) or Indonesia (Muntok) are strongly demanded by other EU countries. Green peppers are still considered a luxury item and thus have a limited market. They are mainly used in the catering sector to be served with steaks and in the manufacture of cheese and pâté. Germany and France are the most important consuming countries of green peppers.

Other main spices imported by the EU include ginger, coriander, cinnamon, nutmeg, spice mixtures, caraway, cumin, turmeric, curry, thyme, cloves, mace and other spices (fennel seeds and juniper berries, aniseed, vanilla etc.). Statistics on the trade in single herbs apart from thyme and bay leaves are not officially collected, and herb imports are therefore included in the category “other spices”. Further information on EU imports of spices and herbs can be found in section 4.1.3 and detailed statistics by supplying country and product are given in Appendix 2.

Between 1995 and 1997 almost all countries in the EU increased their imports of spices and herbs. As a result in this period total EU imports increased by 18 per cent in volume and by 44 per cent in value.

Germany is the largest EU market for spices and is the second largest in the world. It accounted for almost one quarter of all EU imports: in 1997 the quantity of imports was 60,857 tonnes with a value of ECU 158.3 million. Germany is followed by The Netherlands (20 per cent of EU imports in 1997), United Kingdom (17 per cent), Spain (11 per cent) and France (10 per cent). However, it should be noted that Rotterdam, Hamburg and, to a lesser degree, London are the major EU trading centres for spices, with significant quantities re-exported onwards to other EU countries.

Table 4.2 EU imports of spices and herbs 1995-1997
ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Germany	53,966	117,422	54,494	114,150	60,857	158,391
Netherlands	38,395	64,295	43,371	74,745	53,485	114,818
United Kingdom	37,475	60,105	34,814	54,771	43,948	82,882
Spain	25,417	41,752	21,218	49,560	27,883	63,153
France	22,975	58,375	23,668	60,663	24,750	76,492
Belgium	9,485	27,008	10,460	29,749	11,822	37,067
Italy	8,385	21,487	8,044	23,043	8,324	31,512
Ireland	1,347	4,866	1,395	5,143	1,549	6,522
Denmark	4,766	12,999	4,856	14,387	4,651	15,707
Greece	2,945	5,020	3,761	6,769	3,851	7,753
Portugal	1,898	4,113	2,620	6,554	2,033	5,565
Sweden	4,428	12,788	4,865	13,467	4,992	19,130
Finland	1,491	4,548	1,853	5,389	1,964	6,559
Austria	6,989	15,254	7,827	16,679	10,722	25,373
Total	219,962	450,032	223,246	475,069	260,831	650,924

Source: Eurostat

Other sizeable importers of spices with average annual imports of about 2,000 tonnes each, are Belgium and Austria, of which Austria is a large consuming country of pepper and paprika. Not many spices from developing countries are essential ingredients in traditional European cuisine. Cinnamon and cloves are mainly used in sweet dishes; ginger and nutmeg are used, but only in very small quantities. Cardamom is almost unknown in most EU countries and is used by the Scandinavian countries to flavour bread and pastries. Sweden is a big user of saffron in its characteristic saffron bread, but the quantities used are relatively small.

On the other hand, Europe's local cuisines use a lot of herbs from the Mediterranean, mainly bay leaves, marjoram, oregano, rosemary, savoury, thyme and parsley, most of which can be grown in moderate climates. Onion and garlic are cultivated in Europe. However, because of its strong odour, garlic is less appreciated especially in Northern Europe and onion is used mainly as a vegetable.

Average consumption and the popularity of herbs and spices vary considerably from region to region in the EU. Consumption per capita is relatively low in Ireland and increases sharply in Austria, Germany and The Netherlands, as is shown in figure 4.1. The Mediterranean regions of southern France, Spain and Italy have a very low consumption of dried herbs, but use a lot of fresh material out of gardens or wild produce harvested in the mountains. Many Mediterranean dishes use fresh vegetables rather than spices or herbs for flavouring.

Figure 4.1 Per capita consumption of spices and herbs in the EU in 1997



Total average per capita consumption in the EU in 1997: 408 grams

Source: FAO, Euromonitor, CIR, Trade Associations in Germany and France

The spices used by the average consumer are still rather traditional, but new trends, such as those described for The Netherlands, have developed in certain markets, especially in Northern Europe and within more urban populations. The high quantity of spices consumed in Austria can be attributed to the huge usage of paprika powder in Hungarian-type dishes.

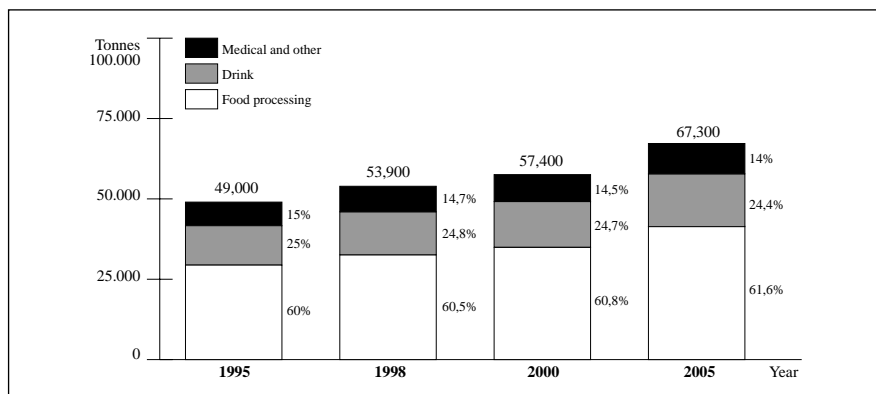
The principal end users of spices and herbs in all EU markets can be divided into three end user segments. In 1997 in almost all EU countries the largest proportion, being 55-60 per cent of the total usage of spices and herbs, was consumed by the industrial sector. The retail sector consumed 35-40 per cent and the catering sector 10-15 per cent. In Sweden, The Netherlands and Italy these proportions were respectively 55 per cent, 35 per cent and around 10 per cent. In most markets the ratio is moving towards higher relative usage by the industrial sector, reflecting the growing popularity of ready-to-use spice mixtures. Another reason is the increasing consumption of processed foods which often rely on spices and herbs to retain and enhance the food flavour.

■ Industrial sector

Spices are used particularly in the processing of meat, fish, canned products, sauces, soups, bakery goods and other prepared and convenience food. In most cases, the meat industry is by far the largest user of a wide range of spices. Other sectors, like the drink industry, use anise, badian and juniper in alcoholic drinks and liqueurs and use ginger in soft drinks. Ginger is also used in biscuits and pickles. Pepper and mustard are used in most savoury products and sauces, while mint is used in confectionery.

Industrial food processing also includes spice mixing for meat factories, butchers bakers and packers for the catering sector. Grinders and blenders tend to make more multi-functional mixes to be used especially in the baking and meat processing industries. In 1998 the total industrial market amounted to 53,900 tonnes with a total value of ECU 494 million. Although it is a mature market, further growth is expected in the coming years. The food processing industry takes the largest proportion, as is shown in figure 4.2.

Figure 4.2 EU market development for spices and herbs in the industrial sector 1995-2005, tonnes



Source: Frost and Sullivan, October 1998

There are roughly 43 food ingredient manufacturers in the EU and the market is controlled by Daregal (who had a 25 per cent market share in 1998) and McCormick (15 per cent). The degree of specialisation needed to be a successful flavour supplier and the barriers to be surmounted before entering the EU market are making it difficult for other companies to compete. Vertically integrated food manufacturers, such as Nestlé and CPC produce some of their own ingredients, including flavours. However, most EU food ingredient manufacturers are horizontally integrated into either fragrances or other food ingredients and in the next few years more mergers and acquisitions among the smaller regional companies are expected.

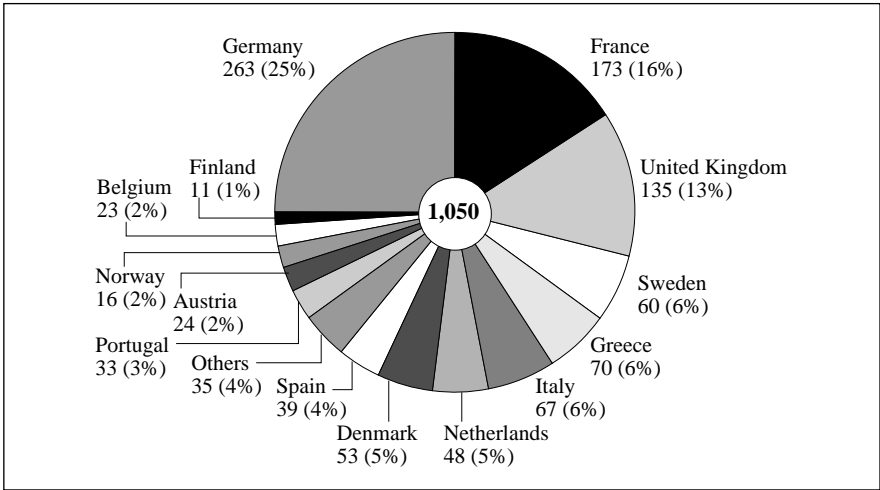
The consumption of spices in the non-food sector, in pharmaceuticals and perfumery, is still small and does not have any significant effect on overall demand. Mint is used in medicinal tablets and potions. Capsicum (seeds) are used for thermo-plasters or for creams or gels against muscular pain. In general, alternative medicines using spices and herbs have increased in popularity in most EU countries over the last few years. Children's medicine in particular is often designed to taste pleasant, so changes in taste may be an opportunity for further growth for the use of herbs and spices in medical applications. Restaurants, hospitals and schools are some of the other end-users of spices, although the quantities consumed by these sectors are small.

■ Retail sector

Each individual country has its own speciality and the acceptance of exotic meals varies strongly. Consumers in some EU countries open themselves more readily to international cuisine, while others tend to prefer their own (rich) traditional cuisine. Consumption of exotic Asian foods and their allied spices is high in the United Kingdom and The Netherlands because of the presence of sizeable immigrant populations and the many Chinese, Indian, Indonesian and Thai restaurants visited by a growing number of people.

The major EU retail markets are Germany, France, United Kingdom, Spain and Italy because of their large population sizes. Over the past few years retail sales of spices and herbs in most EU countries have grown and in 1997 these amounted to ECU 1,050 million. A breakdown by country is shown in figure 4.3.

Figure 4.3 Retail sales of spices and herbs in the EU (1997)
ECU million



Source: Euromonitor, 1998

Recent years have seen a huge rise in the popularity of Far Eastern, Mediterranean and Mexican cuisine, particularly in Northern European markets. This trend has been reflected in some movement in demand away from traditional spice and herb mixtures to new combinations and spice ingredients for use in the home, the ever growing market for convenience foods and snacks and the fast food and restaurant trade. Examples are seen in the increased use of coriander and cumin, both of which have been adopted for many dishes other than curries. Chinese five-spice mix has also found favour in Germany and the United Kingdom.

By far the biggest spices and herbs company world-wide is McCormick & Co, Inc., whose head office is in Hunt Valley, USA. This multinational company carries out “global sourcing” of spices and herbs by having subsidiary affiliated companies in the countries of origin. In Europe, McCormick has operations in the United Kingdom, Germany, Finland and Switzerland. The second largest international group, Burns, Philp & Co. Ltd., Australia, owns the following major spice companies in the EU: British Pepper & Spice (United Kingdom), Euroma (The Netherlands), and Karl Ostmann (Germany). Other significant spice companies in Europe include Ferruzzi (Italy), Ducros (France), Fuchs-Gew(rze (Germany), CPC Europe (Germany/ Ireland), Paulig (Finland), Nordfalks (Sweden / Norway), Dirach, Danske Krydderie (Denmark) and Kotanyi (Austria).

4.1.2 Production

Few spices are produced in the EU. Paprika and saffron are produced in Spain and Italy. Green pepper is produced in Germany and Denmark; sweet paprika in The Netherlands; caraway seed in The Netherlands and Denmark.

The most commonly grown herbs in EU countries are: basil, bay leaves, celery leaves, chives, coriander, dill tips, chervil, juniper, marjoram, oregano, parsley, rosemary, sage, savoury, tarragon, thyme and water cress. France, Italy and Greece are important producers of dried herbs. In 1997 the growing demand for fresh herbs was still being covered by domestic supplies within the EU.

4.1.3 Imports

In 1997 the EU was the largest importer of spices in the world, with imports valued at ECU 650 million.

The share in supply from sources in Asia is still rising and more is being imported from some African countries. Import and export statistics are distorted by the existence of three major trading centres in Rotterdam, Hamburg and London. Although they import spices from non-European sources to one location, they subsequently re-export the same goods to individual EU markets. Official statistics only give an indication of the major trends and relative significance of individual importing countries and do not represent the overall situation. Since the unification of the EU in 1992, customs authorities do not record the intra-EU trade, so import and export figures are based on the reports of the companies themselves. Smaller companies are not obliged to report and are therefore excluded from the statistics. However, the imports from non-EU sources are still registered by customs authorities.

In 1997 the total volume of EU imports of spices and herbs was 260,831 tonnes, representing a total value of ECU 650.9 million. In 1997 pepper accounted for 27 per cent of the total spice import volume, capsicum/paprika for 23 per cent and ginger for 7 per cent. Other important product groups are coriander, cinnamon, nutmeg, spice mixtures, caraway and cumin.

Table 4.3 EU imports of spices and herbs by product group, 1995-1997
ECU thousands/tonnes

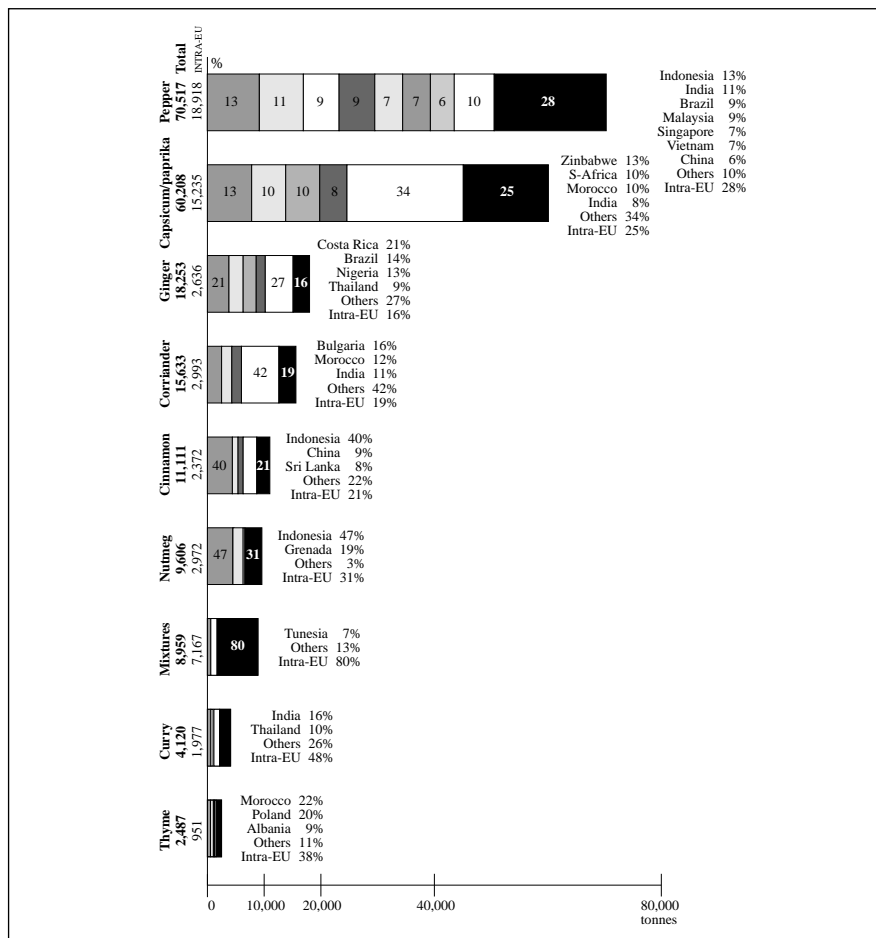
	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	219,962	450,032	223,246	475,069	260,831	650,924
Intra-EU	63,606	171,773	64,146	180,399	75,655	224,823
Extra-EU	156,356	278,259	159,100	294,670	185,176	426,101
Developing countries	122,882	223,285	120,322	222,631	141,803	326,611
Pepper	61,308	146,724	60,486	142,195	70,517	251,559
Capsicum/paprika	52,910	92,565	48,667	102,159	60,208	131,550
Ginger	14,659	16,470	17,047	21,465	18,253	27,034
Coriander	12,354	5,209	13,628	7,007	15,633	12,837
Cinnamon	10,377	18,174	10,887	19,313	11,111	20,018
Nutmeg	6,520	10,491	8,270	12,801	9,606	19,725
Mixtures	8,560	27,811	9,396	29,925	8,959	27,170
Caraway	6,591	8,418	7,199	7,187	7,279	6,663
Cumin	5,503	6,252	6,287	7,542	6,729	9,287
Turmeric	5,221	3,323	4,803	3,675	5,639	5,534
Curry	3,511	5,554	3,484	5,674	4,120	7,160
Thyme/bay	3,455	7,856	3,433	8,458	3,719	9,564
Cloves	2,772	2,266	2,745	2,604	3,219	3,027
Mace	1,342	3,868	1,920	5,861	1,895	9,352
Other spices	24,879	95,051	24,994	99,203	33,944	110,444

Source: Eurostat

Since 1995, demand for imports of all spices has increased. In 1997 there was an especially high demand for pepper, dried capsicum, paprika and coriander. There was also a major increase in the demand for coriander, ginger and nutmeg. Imports of the product group "other spices" have more than doubled, especially in ground form. This group includes anise, badian seeds, saffron, vanilla, fennel seeds and juniper berries. The EU import volume of mixed spices, curry and thyme showed a fluctuating pattern while imports of bay leaves increased only slightly between 1995 and 1997.

A detailed overview of EU imports by product group is given in Appendix 2. An overview of total EU imports by most important product group and main non-EU suppliers in 1997 is given in figure 4.4.

Figure 4.4 EU imports of spices and herbs by product group, 1997
Main non-EU suppliers as per cent of total volume



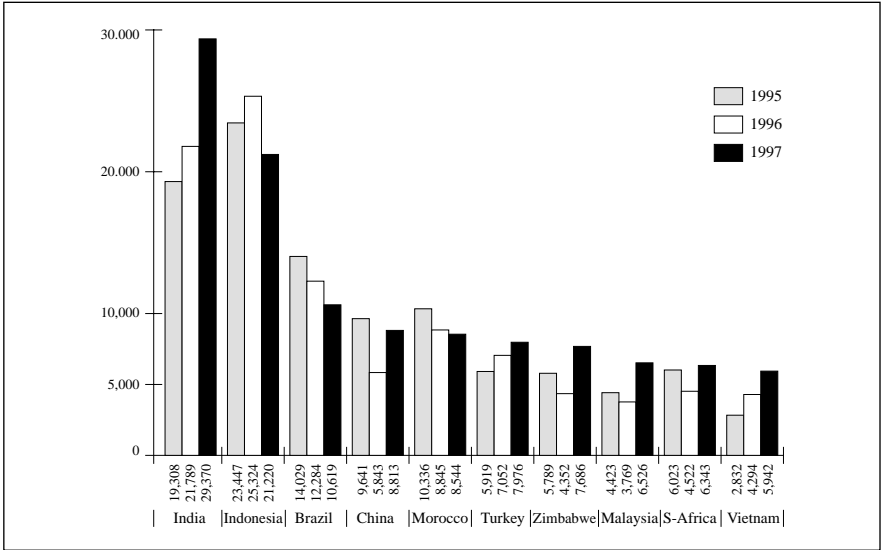
Source: Eurostat

The larger share of spices and herb imports come from India, whose imports accounted for 52 per cent between 1995 and 1997 to 29,370 tonnes, making it the main supplier of spices to the EU in place of Indonesia. The second largest importer to EU countries in 1997 was The Netherlands, followed by Indonesia whose volume of imports decreased by 20 per cent in 1997, although the value of Indonesian imports have increased considerably. Other important sources for spices and herbs are: Germany, Brazil, Spain, China, Morocco, Turkey, Italy, Zimbabwe, Malaysia, South Africa and Vietnam, whose EU imports are growing in importance.

In 1997, most spices were supplied by developing countries, whose imports accounted for more than 55 per cent of total EU imports. In the same year, other EU countries supplied 28 per cent of spices and herbs, which was similar to the 1995 total. The Netherlands and Germany, as major (re-) exporters of spices from origin countries, are the largest suppliers, with Spain and Italy substantial producers and exporters of paprika and saffron.

Some supplying countries, while not featuring as key suppliers in terms of total imports, nonetheless play a major role as the source of single spices. This applies, for instance, to cloves (key sources are Madagascar, Comoros), vanilla (Madagascar, Mauritius), cardamoms (Guatemala), anise (Turkey, Syria) and bay leaves (Turkey). A detailed overview of EU imports by source is given in Appendix 2. An overview of the main non-EU suppliers is given in figure 4.5.

Figure 4.5 The main non-EU suppliers of spices and herbs to the EU, 1995-1997
Volume in tonnes



Source: Eurostat

The role of developing countries

Between 1995 and 1997 the proportion of imports from developing countries fell slightly in volume terms, from 55 to 54 per cent, but there was a slight increase in value, from 49 to 50 per cent. In the same period, the import volume increased by 15 per cent to 141,803 tonnes and the value increased by 46 per cent to ECU 326.6 million.

Between 1995 and 1997 Malaysia, Zimbabwe, South Africa, Nigeria, Costa Rica and Grenada became important EU suppliers of dried capsicum, ginger and nutmeg. The importance of developing countries in the supply of each product group is shown in table 4.4. A list of developing countries, as defined by the OESO can be found in Appendix 11.

Table 4.4 EU imports of spices and herbs from developing countries, 1997 (tonnes)

	Total imports	from DC's	% per product group	% of total DC's* supply
All groups	260,831	141,803	54	100
Pepper	70,517	37,261	53	27
Capsicum	60,208	35,154	58	25
Ginger	18,253	14,844	81	11
Coriander	15,633	3,845	25	3
Cinnamon	11,111	8,221	74	6
Nutmeg	9,606	6,392	67	5
Mixtures	8,959	3,673	41	3
Caraway	7,279	381	5	0
Cumin	6,729	4,835	72	2
Turmeric	5,639	4,961	88	3
Curry	4,210	3,337	79	2
Thyme/bay	3,719	863	2	0
Cloves	3,219	2,517	78	2
Mace	1,895	1,247	66	1
Other spices	33,944	14,272	42	10

Note: *DC = Developing country

Source: Eurostat

Most spices, with the exception of coriander, caraway seed and the herbs thyme and bay come from developing countries, who also dominate the supply of turmeric, ginger, curry, cloves, cinnamon, mace, capsicum and pepper to the EU. Between 1995 and 1997 there was an increase in the supply from developing countries of pepper, capsicum (including paprika), coriander, ginger, nutmeg, curry and thyme/bay. In 1997 pepper accounted for 27 per cent of the total, taking the largest proportion of the total EU imports from developing countries. Capsicum accounted for 25 per cent, ginger 10 per cent and cinnamon 6 per cent of the total, which is shown in table 4.4.

4.1.4 Exports

A large part of the EU export trade consists of spices and herbs which have been imported in bulk or in crude form and which, following grinding, processing and/or repackaging, are re-exported to other EU and overseas markets. The only spices which originate in large quantities within the EU are paprika, saffron and caraway seed. In 1997 the total value of these EU exports was ECU 326.9 million, of which almost 65 per cent went to other EU countries. Between 1995 and 1997 the total EU exports grew by 13 per cent in volume, with a value increase of 34 per cent, mainly due to rising prices for pepper and nutmeg.

Paprika powder is the major export product and accounted for 25 per cent of exports in 1997. The other main export products, in order of their share of total spice exports in 1997 are: capsicum (17 per cent), spice mixtures (11 per cent), ground pepper (5 per cent), nutmeg (4 per cent), coriander (4 per cent), caraway (4 per cent), ginger (3 per cent), cinnamon (3 per cent), curry (2 per cent) and a large variety of other spices.

Major destinations in the EU are Germany who took 17 per cent of EU exports in 1997, France (8 per cent), Belgium (6 per cent), United Kingdom (6 per cent), The Netherlands (6 per cent), Austria (4 per cent), Italy (3 per cent), Spain (3 per cent), and Sweden (3 per cent). Non-EU destinations were: the USA (7 per cent), Poland (2 per cent), Czech Republic (2 per cent) and Japan (2 per cent). An overview of the exports of each EU country is given in table 4.5. An overview of total EU exports by product group can be found in Appendix 2.

Table 4.5 EU Exports of spices and herbs, 1995-1997
ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Netherlands	28,258	58,814	29,150	59,378	33,791	86,028
Spain	25,579	54,913	25,130	55,441	24,570	69,428
Germany	12,690	57,269	13,738	67,805	16,027	69,021
France	7,782	30,423	6,848	31,487	6,764	30,627
United Kingdom	5,602	14,068	5,543	17,266	6,192	23,570
Belgium	4,838	8,930	3,099	9,375	5,617	14,930
Austria	1,320	4,739	1,593	5,707	4,414	13,100
Italy	1,800	4,823	1,817	4,999	2,122	6,154
Denmark	627	3,058	697	3,903	787	4,942
Finland	518	3,016	442	3,625	597	4,237
Greece	734	2,365	692	2,607	548	2,800
Sweden	524	1,544	469	1,626	456	1,371
Portugal	92	313	354	714	173	457
Ireland	119	205	114	260	113	277
Total	90,483	244,480	89,686	264,193	102,171	326,942

Source: Eurostat

4.1.5 Market prospects

The usage of spices and herbs by consumers is increasing because they are appreciated as completely natural, rather than artificial, additives. Apart from being directly used by the industrial and catering sectors as well as consumers, they are also the starting point for the production of many flavours and components of flavours. Improvements in food processing will positively influence the transportation and distribution of spices and herbs around the world.

Consumption of convenience and ethnic foods is expected to increase because more and more people are eager to try the new and varied taste of foreign foods. On the other hand, in some EU countries there will be still public resistance to strong new flavours. Despite the gradual move towards a unified Europe, national dishes remain unique and provide people with a point of difference in which they take a pride. Also, wide regional differences in taste may limit the rate of growth of the market.

Competitive issues in this market are quality and consistency of quality, followed by strong research and development in order to provide innovation and a variety of flavours. This emphasis on quality has led to a higher degree of customer loyalty. Food and drink manufacturers demand consistently high quality and so tend to stick with preferred suppliers who have proved themselves to be reliable. Price has been of secondary importance to quality but may become more important in the future.

As with any industry, blenders and packers are under pressure from food manufacturers to keep prices as low as possible. The food processing industry is extremely competitive, as is the distribution of food products through supermarkets. At the same time, there is continual pressure to develop more and more products to give a wider variety of flavours, with a relative increase in production costs.

The health food sector is also a growing market, as industry and consumers focus more on healthy food and natural flavours as substitutes for sugar, salt and artificial products. Growing public concern over health and the increasing number of food scares may have a positive effect on the growth of the market for spices and herbs. Health problems associated with the excessive consumption of caffeine in coffee and tea are stimulating the market for herbal teas.

Although the share of organic herbs and spices is estimated now at little more than one per cent of total spice demand, consumption is said to be growing very fast year on year.

4.2 Profiles of the major EU markets

4.2.1 Germany

Within the EU Germany has by far the largest population size, with 81.8 million inhabitants in 1997. The average GDP per capita in 1996 was 22,600 ECU and Germany is the largest trader in the EU. With a 23 per cent share of total EU imports, Germany is the largest EU market for spices and herbs and second in importance world-wide to the USA. Spice imports in 1997 amounted to 60,857 tonnes, valued at ECU 158.3 million, which was almost one quarter of total EU imports. The apparent consumption in 1997 amounted to 44,835 tonnes, which is an increase of 22 per cent, compared to 36,728 tonnes in 1990. Variations in apparent consumption from year to year are caused not only by actual import and export volumes but also by the holding and releasing of stock by major traders in different periods.

In 1997, the per capita consumption of spices and herbs was one of the highest in the EU, at 735 grams per year. The Germans spent an average of ECU 0.83 per month on spices and herbs, while people living in former East Germany spent 50 per cent more per month (ECU 1.28).

The German population is quite homogeneous with 10 per cent being represented by other nationalities. By 1997 the number of immigrants had grown to 7.3 million, mostly from Turkey (30 per cent), Greece, Poland, Austria and other Eastern European countries (36 per cent), Southern Europe (16 per cent), Asian countries (11 per cent), Africa (4 per cent) and USA (3 per cent). Dishes from other European countries such as Italy, Greece, and Spain have been popular among Germans for many years. Both its large foreign population and more Germans now travelling abroad have influenced preferences in domestic food flavours. More travel to South East Asian countries has created a higher demand for ethnic food, with a corresponding increase in the use of spices and has encouraged the use of a greater variety of spice mixtures. In recent years, Asian and Mexican or Tex-Mex foods have become increasingly popular.

The increase in single person households (13.6 million in 1997) and an increasing number of women entering the workforce has lead to a strong and growing demand for convenience foods, easy-to-prepare meals and snacks. As in The Netherlands, this has created a higher demand for ready-to-use spice mixtures and more varieties have been introduced in the German market as a result.

Ethnic foods are very popular and are sold in sufficient quantities to encourage the German food processing industry to include them in their product range, adapted to local tastes. In 1997 the retail trade share of the food industry's consumption of spices now stands at about 60 per cent and will continue to grow. Large food processors in Germany are Nestlé, Kraft Jacobs Suchard and CPC. Moxel Concern and Hermann Laue (of the brand *Hela*) are important processors of spices in the meat industry.

In 1997 there were 46 processors of spices with total sales of ECU 551 million, which is 15 per cent higher than in 1995. The largest grinder/blender/packer Fuchs-Gewürze (brand: *Fuchs*) merged in 1998 with Karl Ostmann. Other significant blenders/packers in Germany are Beyern and Ubena.

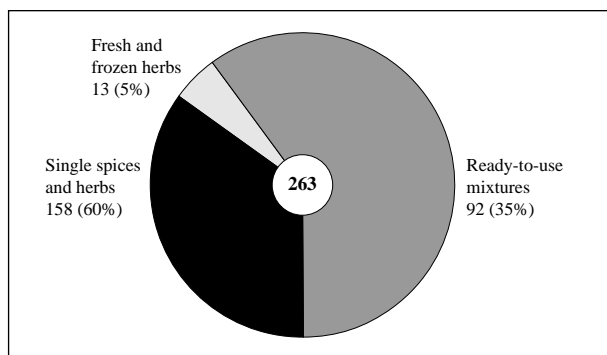
With a total value of ECU 263 million in 1997, Germany held a 25 per cent share of the total EU retail market for spices and herbs - a 5 per cent increase from the 1995 total of ECU 249 million. The most popular single spices are paprika, pepper, nutmeg, cinnamon, cloves, curry and cumin. In 1997 these spices together accounted for 60 per cent of the German market.

Annual demand for culinary herbs is estimated at more than 5,000 tonnes. Marjoram and parsley are the herbs with the highest level of consumption, at about 1,500 tonnes per year, but the usage of thyme, bay leaves, basil and oregano is also significant. Parsley and marjoram are grown commercially in Germany but the bulk of other dried herbs come from Spain, Morocco, Egypt, Turkey, Hungary and Poland.

The most popular ready-to-use spice mixtures are those used for chicken, minced meat, French fries, tomato, onion and pizzas. In the past few years, these prepared spice mixtures increased their market share to 35 per cent of total retail sales. The ready-to-use mixtures segment has grown fast and is expected to continue to grow, both because of the convenience of pre-mixed spices and because there are now more varieties readily

available in Germany. Fresh herbs are becoming popular, but these still take a small market share as shown in figure 4.6.

Figure 4.6 Market shares of spices and herbs in Germany, 1997
ECU million (per cent of total market)



Source: Euromonitor 1998,

Dynamik im Handel 1998

In the distribution of spices and herbs, supermarkets account for approximately 50 per cent of retail sales. In-store promotions on international themes, such as a “Mexican week” or a “Chinese week”, are organised increasingly more often. Almost 20 per cent of total sales occur in discount stores, whose numbers are still growing in Germany; 14 per cent is sold in small supermarkets and the remaining 16 per cent in delicatessen stores or in other retail outlets.

Germany is a major trader, processor and re-exporter of spices. Hamburg, along with New York, Rotterdam, Singapore and London, is one of the key world trading centres. Germany imports about three-quarters of its spice requirements directly from the countries of origin. In 1997, 70 per cent of imports were sourced outside the EU and 45 per cent of total German imports came from developing countries. Germany is the largest EU importer of pepper (26 per cent of total EU imports in 1997) and also of mace, anise, caraway and fennel seeds, juniper berries and thyme. Imports of paprika, cinnamon, nutmeg, cardamoms, coriander seed, turmeric and spice mixtures were also very significant.

Between 1995 and 1997 German imports increased by 12 per cent, mainly because of a high demand for pepper, paprika, caraway and nutmeg. In 1997, coriander, cinnamon, thyme, bay leaves and other spices were more in demand, whereas ginger, spice mixtures and curries were less in demand. In the same period imports of the other product groups showed a fluctuating pattern.

For all spices together, the main suppliers to Germany are Indonesia, Brazil, India, China, Turkey and Hungary. An overview of German imports by product group is given in table 4.6.

Table 4.6 Imports of spices and herbs to Germany, 1995-1997
ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	53,966	117,422	54,494	114,150	60,857	158,391
Intra-EU	14,741	32,798	16,400	35,884	17,765	47,988
Extra-EU	39,225	84,624	38,094	78,266	43,092	110,403
Developing countries	26,989	63,875	23,359	53,759	27,609	78,941
Product groups:						
Pepper	17,923	41,901	16,366	37,379	19,384	66,983
Capsicum/paprika	13,133	29,328	11,810	28,376	14,158	38,039
Caraway	2,900	3,851	3,696	3,751	3,379	2,429
Coriander	3,275	1,362	2,882	1,380	3,121	2,648
Cinnamon	2,125	4,143	2,542	4,927	2,820	5,500
Nutmeg	1,621	2,760	2,015	3,383	2,033	4,279
Ginger	1,862	2,564	1,837	2,699	1,720	3,113
Mixtures	1,904	5,142	2,160	5,624	1,207	3,287
Thyme/bay	1,103	2,486	1,162	2,791	1,197	2,928
Turmeric	1,006	676	966	771	1,030	1,008
Cumin	328	432	480	500	776	817
Cloves	515	396	493	504	627	569
Curry	651	1,073	681	1,128	586	1,103
Mace	439	1,403	592	1,912	546	2,987
Other spices	5,176	19,905	6,810	19,025	8,270	22,701

Source: Eurostat

The most significant suppliers for key spices and herbs are:

Pepper	Indonesia, Brazil, Malaysia, India, China, Singapore, Vietnam, Thailand, Netherlands
Capsicum/paprika	Hungary, Spain, Israel, Brazil, USA, Turkey, Jamaica, Mexico
Cumin/caraway/fennel/juniper	Egypt, Eastern Europe, China, Turkey
Coriander	Russia, Egypt, Bulgaria, Hungary, Poland, Romania, Morocco
Cinnamon, whole	Indonesia, Sri Lanka, Netherlands, Vietnam, China, Madagascar
Cinnamon, ground	Netherlands, Indonesia, China, Seychelles, Vietnam
Nutmeg	Grenada, Indonesia, Netherlands, India
Ginger	China, Brazil, Thailand, Nigeria, Costa Rica
Mixtures	Netherlands, United Kingdom, France, Thailand
Thyme/bay leaves	Turkey, Spain, Poland
Curry	United Kingdom, Sri Lanka, India

Germany is the third largest exporter of spices and herbs in the EU. In 1997, the volume of exports from Germany accounted for 16,027 tonnes, which represented 15 per cent of total EU exports. Spice mixtures account for 22 per cent of total German exports, pepper 18 per cent and capsicum/paprika 10 per cent. Other important export product groups include coriander, fennel, anise and caraway seed, juniper berries, nutmeg, thyme and bay leaves. In 1997, other EU markets imported 63 per cent, while Poland, North American and other Eastern European markets were other significant customers.

Germany is the biggest producer of foods in the EU, but her industries have been greatly affected by competition from low cost centres of production in Asian countries. In addition, the increasingly concentrated and powerful retail sector has strengthened its position, which has had a negative impact on local producers. Because of growing consumer resistance to industrially manipulated ingredients, there is a rising demand for organically grown food. Germany is one of the world's largest producers and consumers of organic foods.

In the German market, comprehensive ranges of organic spices are sold. In 1997 sales of all organic foods together, which were sold in the 1,700 organic food shops, amounted to some ECU 1,788 million. This amounts to 1.5 per cent of total German food sales and is expected to grow by 2-3 per cent every year. Organic foods are also making progress in German supermarkets (Tengelmann, Rewe, Metro, Edeka and Globus).

4.2.2 United Kingdom

The United Kingdom had around 58.7 million inhabitants in 1997. The average GDP per capita in 1996 was 15,400 ECU and the United Kingdom is the second largest trader in the EU. The United Kingdom has a long tradition in spice trading with ex-colonies. With a 17 per cent share of total EU imports, the United Kingdom is the third largest EU market for spices and herbs. Spice imports in 1997 amounted to 43,948 tonnes, with a value of ECU 82.8 million, which represented 13 per cent of total EU imports. The apparent consumption in 1997 amounted to 37,756 tonnes, an increase of 54 per cent compared to 24,379 tonnes in 1992. Variations in apparent consumption from year to year are caused not only by actual import and export volumes but also by the holding and releasing of stock by major traders in different periods.

In 1997 British consumption, at about 251 grams per head per year, was less than one third of that in Germany, but is rising. The most popular herbs have traditionally been parsley, thyme, basil and marjoram but, because of the increasing immigrant population, consumers have become more interested in ethnic and foreign foods, with the result that the list of herbs and spices has expanded greatly.

Between 1993 and 1996 there was, according to McCormick, a major change in eating habits. Ready prepared meals and sauces were used more often and significantly more people began to eat out, especially in Indian and Chinese restaurants. This led to a fast growing demand for convenience foods. British people also enjoy trying out foreign dishes and this has contributed to the growing demand for more variety in ready meals. TV cookery programmes have stimulated more interest in learning about good food and authentic flavourings, and this has been reinforced by more travel abroad, health concerns

and new restaurant trends. This in turn has encouraged people to try new kinds of fresh and frozen ready meals and, having done so, to cook them at home, provided the ingredients (e.g. spices and herbs) are readily available. Interest in Thai, Mexican, Mediterranean and Moroccan cuisine has led to an increased demand for exotic spices and herbs, such as lemon grass, harissa, galangal and coriander leaf.

The food industry dominates the use of spices and accounts for an estimated 60 per cent of total demand. Large food processors in the UK are Master Foods (Mars), Unilever and Campbells. *Sharwood's*, *Patak* and *Master Foods* are important brands for ethnic foods, which mainly comprise a fast growing variety of sauces for cooking, pouring, stirring and marinating for use in dishes from many different countries. The major UK spice-grinders/blenders, like McCormick and Lion Foods have a major presence in the dry cooking sauce market.

The largest grinder/blender/packer is McCormick (brand: *Schwarz*), a subsidiary of McCormick of the USA. In 1996 they held a share of more than 50 per cent of the dried spices and herbs market segment, which has been static for the past few years. The dried spices and herbs segment in the UK includes ready-to-use spice mixtures. Another grinder/packer is the British Pepper&Spice, a subsidiary of Burns Philp of Australia, with the brand *Millstone*. Other significant suppliers include Lion Foods (*Lion*) and Bart Spices (*Bart Spices*). In 1996 private labels accounted for 36 per cent of sales in which herbs represent 40 per cent of market share and spices 30 per cent. All UK grinders/packers supply private labels in addition to their own brand.

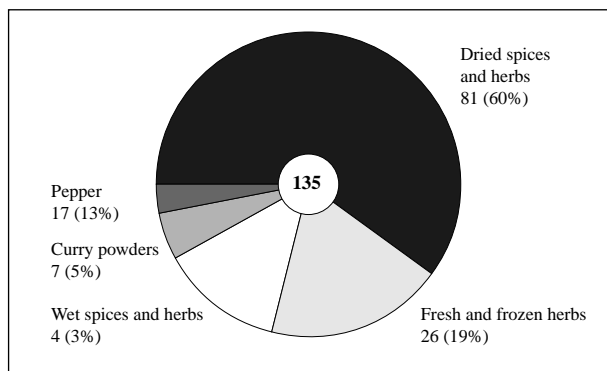
Private labels lead the market in sales of pepper. The sale of pepper has been static for the past few years, although peppercorns now account for 25 per cent of the pepper market segment. The majority (40 per cent) of pepper sold is black pepper (ground) while white pepper (ground) accounted for 30 per cent of total pepper sales in 1996. Lion Foods and British Pepper & Spice are major suppliers.

The market for curry powders is in decline but the *Sharwood* brand leads the market for curry powders, followed by McCormick (*Schwarz*).

There is a small market for frozen herbs and the market for fresh herbs is growing. The brand *John West* is the leader of the wet spices market, which was worth about ECU 3 million in 1997.

With a total value of ECU 135 million in 1997, the UK held a 13 per cent share of the total EU retail market for spices and herbs. This represents a market growth of 8 per cent, compared to ECU 124 million in 1995.

Figure 4.7 Market shares of spices and herbs in the United Kingdom, 1997
ECU million (per cent of total market)



Source: Corporate Intelligence on Retailing, 1998

In 1996 the most popular dried spices and herbs were black pepper (ground), white pepper (ground), mixed herbs, peppercorns, chilli, oregano, parsley, mixed spices (Chinese five spice and Thai seven spice) and cinnamon. The fastest growth was for barbecue seasoning, world cuisine spice ranges, cumin, cayenne, turmeric, coriander, caraway seed and cloves. Here the growth in individual spices showed the growing desire of consumers to create ethnic foods from scratch.

In 1996, the distribution of spices and herbs, by grocery multiples accounted for around 73 per cent of retail sales. Large British retailers have actively promoted ethnic foods through in-store displays. These mainly took the form of spices being placed in the supermarkets in a related display alongside the food with which they would normally be used, as in having a display of ready-to-use barbecue spices near the meats, or salad seasonings near the salad vegetables. In these promotional “hot spots”, a range of six spices, which were brought together by a common theme, were introduced, often in combination with recipe leaflets, to encourage consumer interest and stimulate impulse purchasing.

Almost 12 per cent of spices and herbs were sold in independent grocers, who retained a small but significant share; 9 per cent was sold in co-ops and the remaining 6 per cent in other retail outlets.

In 1997, 73 per cent of United Kingdom spice and herb imports were sourced outside the EU and 60 per cent came from developing countries. The United Kingdom dominates EU imports of ginger, accounting for 47 per cent of total EU imports of this spice. This reflects the significant effect the large communities from India, Pakistan and Bangladesh have on sales of ginger in the United Kingdom. Because of the traditional popularity of Indian cuisine, the United Kingdom is also the largest EU importer of cumin seed, curry, coriander, turmeric and cardamoms.

Between 1995 and 1997 UK imports increased by 17 per cent, which was mainly due to high demand for capsicum, paprika, ginger, coriander, cumin, spice mixtures and cloves. In the same period imports of pepper, turmeric, curry, nutmeg and other spices showed a fluctuating pattern. Cinnamon, thyme and bay leaves were less in demand. An overview of UK imports by product group is given in table 4.7.

Table 4.7 Imports of spices and herbs to The United Kingdom, 1995-1997
ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	37,475	60,105	34,814	54,771	43,948	82,882
Intra-EU	11,029	25,864	6,062	13,641	11,702	21,214
Extra-EU	26,446	34,241	28,752	41,130	32,246	61,668
Developing countries	20,831	27,820	23,314	33,224	26,309	49,273
Product groups:						
Pepper	6,888	16,320	5,893	14,084	7,636	27,990
Ginger	7,512	7,511	8,594	9,821	8,577	12,093
Capsicum/paprika	3,350	6,438	4,487	8,994	5,008	13,423
Coriander	3,608	1,642	4,014	2,353	4,910	3,894
Turmeric	2,307	1,247	2,167	1,468	2,513	2,378
Cumin	2,304	2,791	2,444	3,116	2,555	3,676
Curry	1,455	1,789	1,156	1,413	1,673	2,180
Cinnamon	1,470	1,937	1,215	1,739	1,257	1,899
Mixtures	621	1,581	642	1,838	716	2,081
Thyme/bay	562	1,216	448	1,178	452	1,439
Cloves	296	259	303	313	366	362
Nutmeg	310	598	219	432	356	883
Caraway	95	124	199	188	267	328
Mace	80	225	41	144	126	475
Other spices	6,617	16,427	2,992	7,690	7,536	9,781

Source: Eurostat

UK demand for imports of dried herbs in this period amounted to about 4,300 tonnes, of which parsley is the most significant in quantity, amounting to about 1,300 tonnes. Other important herbs include sage (about 550 tonnes), oregano (800), basil (350) and marjoram (250). Local commercial production concentrates mainly on mint, parsley, sage, coriander and, on a smaller scale, basil, marjoram, oregano, savoury, thyme and tarragon.

The most significant suppliers for key spices and herbs are:

Pepper	India, Indonesia, Netherlands, Malaysia, Sri Lanka, Vietnam
Capsicum/paprika	India, Spain, USA, Netherlands, Jamaica, Turkey, China
Ginger	Costa Rica Brazil, Thailand, Nigeria, S. Africa, Indonesia, China
Coriander	India, Netherlands, Egypt, Morocco, Germany, Russia, Bulgaria
Turmeric	India, Morocco, China, South Africa
Cumin	Iran, India, Germany, Turkey, United Arab Emirates
Curry	India, Pakistan, Germany, Singapore, Bangladesh
Cinnamon	Seychelles, China, Madagascar, Sri Lanka, Indonesia, Netherlands
Mixtures	Germany, Netherlands, India, USA, Spain, Sri Lanka
Thyme/bay leaves	Spain, Turkey, Germany, France

Because of the sizeable domestic market, British traders do not play a very major part in the total (re-) export of spices and herbs in the EU. From 1995-1997 exports increased by 10 per cent and totalled 6,192 tonnes, or 6 per cent of EU exports. The most important British export products are curry and spice mixtures, which in 1997 accounted for 34 per cent and 22 per cent of the volume of exports respectively. About half are supplied to other EU markets and a further one third to other developed countries.

The retail market for spices and herbs will be restrained by the growing popularity of wet and dry cooking sauces, which already contain spices and herbs. In 1996 the value of the market for these sauces was estimated at about ECU 471 million at retail prices in 1996, which is more than three times as much as the market for spices and herbs. The wet sauces market was expected to grow by 10 per cent and new varieties of sauces for ethnic dishes were launched successfully.

When time is short, consumers prefer convenience instead of “fiddling about” with individual spices and herbs. New product varieties are introduced with “built-in” spices and herbs, e.g. garlic-flavoured butter, tinned tomatoes and cooking oils with herbs. There are also new products such as Chinese, Indian, Italian and Mexican cubes of ready-made herb blends which put pressure on the retail sales of dried herbs, spices, and curry powders, whereas spices are more in demand in the British industrial sector.

In the United Kingdom there has been an enormous and rising demand in recent years for organically grown food, but this growth diminished somewhat after 1997. Apart from those used for some herbal teas and herbs for medical use, not many organic spices are sold yet. In 1997 sales of organic foods amounted to about ECU 562 million. Organic foods are also making progress in British supermarkets (Sainsbury, Tesco, Waitrose and Safeway).

4.2.3 France

In 1997 France had around 58.3 million inhabitants. The average GDP per capita in 1996 was 20,700 ECU. France is an important EU market for spices and herbs, because it is not only a significant importer from origin countries, it is also a large producer, consumer and exporter of culinary herbs. In terms of volume France accounted for almost 10 per cent of EU spice imports in 1997, or a total of 24,750 tonnes, valued at ECU 76.5 million.

In 1997, the apparent consumption of spices alone amounted to 17,986 tonnes, which is an increase of 37 per cent, compared to 13,116 tonnes in 1990.

In 1997, the consumption of spices and herbs per capita in France averaged 304 grams per year, which is an increase when compared to 260 grams in 1995. The French spent an average of ECU 0.78 per month on spices and herbs in 1997. This figure excludes the usage of fresh herbs and vegetable material for seasoning, which is especially high in the more southern areas of the country.

France is renowned for its classical cuisine, where fresh ingredients and subtle seasonings are used. Thyme, rosemary and sage are often used to offset any fattiness in the dishes. Pepper, nutmeg, cloves and ginger are used to enhance pork cuts (“charcuterie”) as well as in slow cooked stews and casseroles. In the south, a mix of Mediterranean herbs, known as “Herbes de Provence” are often used in combination with garlic, while tarragon and saffron are often used in fish and chicken dishes.

France’s relatively large foreign population (Africans, Arabs and Asians) and more French people travelling abroad have created a higher demand for ethnic food in France. Also, a busier lifestyle has led to a growing demand for convenience foods, such as ready meals or cooking sauces. In 1997 small snacks (“petit plats”) with a new or typical taste, which could be either French or exotic, have become popular. Examples of new exotic snacks or meals are Mexican guacamole and chilli, or Moroccan taboulé and tajine.

The French like to use innovative products or new spices and herbs but these should be ready-to-use and practical. To save time, French people choose culinary aids in which all the ingredients they need for a dish, including herbs and spices, have already been added. New varieties of sauces, aromatic tablets, bottled marinades and spiced mustards (e.g. with tarragon and green peppers) have grown fast in popularity. On the other hand in many older French households they still prefer to compose their own recipes, which gives French home cooking its flair and originality, in which the use of herbs and spices complements the flavour of the dish.

Between 1995 and 1996 sales of ready-to-use spice and herb mixtures increased by almost 30 per cent and more varieties were introduced in the French market. These were popular spice mixtures used in cooking the French “pot au feu” (hotpot), Moroccan couscous, Italian ravioli and Spanish paëlla. Ready-to-use spices for Mexican and Asian dishes also became more popular.

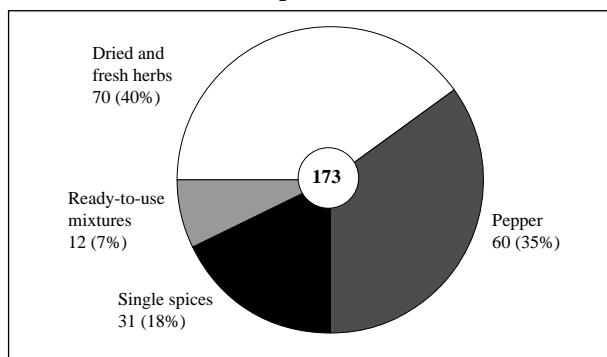
In 1997 the share of the food industry relative to that of the retail trade in total consumption of spices was about 60:40. Because more ready-to-use spices are now available in glass jars or cartons, demand from the French industrial sector will continue to grow, with a corresponding reduction in the market for individual spices and herbs. Large food processors in France are: Eridania-Beghin-Say (of the brands *Ducros*, *Liebig/Marie*), Danone (*Amora*, *Maille*, *Garbit*) Nestlé (*Maggi*, *Buitoni*) and CPC (*Knorr*).

The largest grinder/blender/packer is Eridania-Beghin-Say with the brand *Ducros*, who had 47 per cent of the French retail market for spices and herbs in 1997. The second largest blender/packer in France was Danone, whose *Amora* brand had 18 per cent. Other brands

such as *Albert Menes*, *Gyma*, *Spigol* and *Fuchs* together held 18 per cent of the French market, with brands of other blenders also beginning to appear. In 1997 private labels accounted for 18 per cent but were already losing ground from the market share of 20 per cent which they held in 1994. The main private labels were those of the largest hypermarkets, such as Carrefour, Auchan and Promodès.

With a total value of ECU 173 million in 1997, France held a 16 per cent share of the total EU retail market for spices and herbs. This market has grown since 1993, when its value was ECU 148 million. The largest growth area was in the ready-to-use mixtures segment, which grew between 1996 and 1997 to almost 20 per cent. The sale of herbs, which still took a majority share of 40 per cent of the French retail market, grew in the same period by 10 per cent. In France the consumption of peppers (white, black, red and green peppercorns, chillies, cayenne pepper) is high. In 1997 Carrefour introduced some new ranges of original pepper, sold in jars - black pepper from Brazil, white pepper from Indonesia and grey pepper from Madagascar. In 1997 the pepper segment accounted for 35 per cent of the French retail market, as is shown in figure 4.8.

Figure 4.8 Market shares of spices and herbs in France, 1997
ECU million (per cent of total market)



Source: Euromonitor 1998, LSA 1998, COVIB 1999.

In 1997, 66 per cent of total French imports were sourced outside the EU and 58 per cent from developing countries. France is, compared to other EU countries, a large importer of vanilla, cloves and anise seed owing to her traditional strong ties with former French colonies. Pepper of all varieties dominates imports, accounting for 28 per cent of total spice imports in 1997, while capsicum and paprika accounted for 18 per cent.

Between 1995 and 1997 French imports increased by 8 per cent, mainly due to high demand for capsicum, paprika, ginger, nutmeg, spice mixtures, cloves, curry and other spices. Pepper and cumin were less in demand. In the same period imports of coriander, cinnamon, caraway, thyme and bay leaves showed a fluctuating pattern. An overview of French imports by product group is given in table 4.8.

Table 4.8 Imports of spices and herbs to France, 1995-1997
ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	22,975	58,375	23,668	60,663	24,750	76,492
Intra-EU	6,317	20,111	7,761	25,886	8,257	30,149
Extra-EU	16,658	38,264	15,907	34,777	16,493	46,343
Developing countries	13,871	33,029	13,959	30,167	14,543	39,687
Product groups:						
Pepper	8,849	20,891	8,610	19,875	8,352	31,954
Capsicum/paprika	2,586	7,987	2,879	10,108	3,128	10,570
Mixtures	1,383	4,422	1,631	5,906	1,567	5,664
Ginger	1,124	1,571	1,428	2,018	1,410	1,971
Nutmeg	678	1,068	813	1,289	1,060	2,377
Thyme/bay	918	1,535	663	1,084	986	1,740
Coriander	687	330	585	454	947	924
Cumin	1,100	1,139	1,015	1,169	873	1,373
Cinnamon	707	1,076	851	1,248	720	1,152
Cloves	533	410	634	562	668	622
Turmeric	509	318	464	298	579	512
Curry	311	557	360	579	448	788
Caraway	241	272	91	184	162	160
Mace	62	181	55	154	51	157
Other spices	3,287	16,618	3,589	15,735	3,799	16,528

Source: Eurostat

In 1997, most French spice imports came from India, Indonesia, Madagascar, China, Tunisia, Brazil and other EU countries. Significant sources for the major products are as follows:

Pepper	Brazil, Indonesia, India, Vietnam, Madagascar, Malaysia
Capsicum/paprika	Spain, India, Germany, South Africa, Morocco, Zimbabwe
Mixtures	Tunisia, Germany, Italy
Ginger	China, Costa Rica, United Kingdom, S. Africa, Brazil, Thailand
Nutmeg	Indonesia, Netherlands, Singapore
Thyme/bay leaves	Morocco, Turkey, Spain, Albania
Coriander	Romania, Morocco, Egypt, Ukraine
Cumin seed	Macedonia, Hungary
Cinnamon	Indonesia, China, Madagascar, Sri Lanka
Cloves	Madagascar, Comoros, Tanzania
Anise seed	Turkey, Syria, China, Spain, Vietnam

France is the largest European market for culinary herbs and is also a major exporter, producing parsley, tarragon and thyme on a large scale. Basil, chervil, chives, coriander, rosemary, sage and dill are also grown commercially. The market for dried herbs, of which the most significant are mint, thyme, marjoram, sage, oregano, rosemary and basil, is estimated at about 7,200 tonnes. Parsley, bay leaves, chives, savoury, dill and chervil are also imported.

In 1997, France accounted for nearly 6 per cent of EU exports of spices and herbs. Its major export products, mainly to other EU countries, USA, Saudi Arabia, Algeria and Japan, were spice mixtures, pepper, cumin seed, nutmeg, cloves, thyme and other herbs.

4.2.4 Spain

In 1997 Spain had around 39.2 million inhabitants. The average GDP per capita in 1996 was 11,700 ECU. Spain is the fourth largest EU importer of spices, with almost 11 per cent of EU imports by volume in 1997, or a total of 27,883 tonnes, valued at ECU 63.1 million. Spain is also among the largest EU exporters of spices.

In 1997, the Spanish consumption of spices and herbs per capita averaged 300 grams per year. Spain is a relatively large market for spices and is a major producer and processor of paprika powder and saffron.

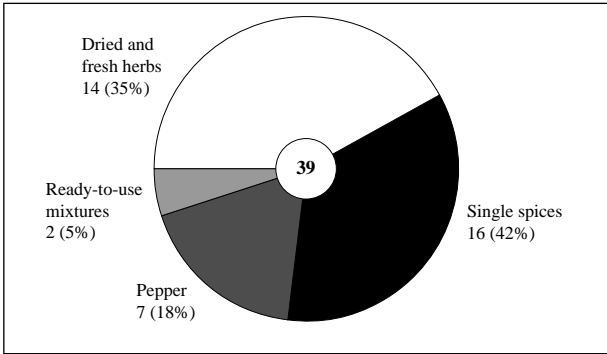
Domestic usage of dried spices and herbs in Spain is not very high because Spanish cooks tend to use fresh produce for seasoning. The Spanish are rather conservative in their eating habits compared to other EU countries. Saffron is used to give the golden colour to Spanish paëlla rice and paprika is used for spiced sausages (“chorizo”). Chillies, paprika and oregano are also traditional flavourings. Small snacks (“tapas”) are served with drinks in local bars. There is enough choice already available for the Spanish and there seems to be no immediate need for new varieties.

The population growth has been slowing in recent years and was forecast to rise by just 1.1 per cent between 1996-2005. Tourism brings 60 million foreigners into Spain every year; its immigrant population is growing, and in the future the ethnic mix is likely to be increasingly diverse.

The food industry uses about 60 per cent of all the spices consumed. Large food processors in Spain are Nestlé Spain, Gallina Blanca and Sanboz Nutrition. A large grinder/blender/-packer for paprika is Jose Martinez Y Cia with the brand *Titan* and J. Navarro Garcia is a large packer for pepper with the brand *Carmencita*. Other significant grinders are Albarracin, S.A., Angel Jobal S.A. and Matencio Lopez S.A.

The Spanish retail market for spices and herbs grew by 10 per cent between 1993 and 1997 to reach a total of ECU 39 million, which represents 4 per cent of the total EU market. As in other EU countries the ready-to-use mixtures segment has grown significantly in recent years. Dried and fresh herbs are taking the largest proportion of the Spanish retail market as is shown in figure 4.9.

Figure 4.9 Market shares of spices and herbs in Spain, 1997
ECU million (per cent of total market)



Source: Euromonitor 1998, AFEXPO 1999.

In 1997, 93 per cent of Spanish imports were sourced outside the EU and 90 per cent of this total came from developing countries. In the same year spice imports rose by 10 per cent over the level of 1995, largely as a consequence of an increase in imports of dried whole capsicum (red peppercorns and chillies). Paprika powder (pimiento) was still the major import in 1997, accounting for more than half of Spanish imports of the product group capsicum. As for sweet peppers (paprika, whole), Spain is the dominant EU importer and accounted for nearly 35 per cent of total EC imports in 1997. Spain is also a leading trader in saffron, although the volume of imports of this herb seems insignificant because it is such an expensive product.

Demand for imports of culinary herbs is very small owing to the high level of local production, which satisfies practically all of the country's requirements for the major herbs used – thyme, rosemary, sage, marjoram and parsley. An overview of Spanish imports by product group is given in table 4.9.

Table 4.9 Imports of spices and herbs to Spain, 1995-1997
ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	25,417	41,752	21,218	49,560	27,883	63,153
Intra-EU	1,843	8,270	1,914	9,281	1,792	7,970
Extra-EU	23,574	33,482	19,304	40,279	26,091	55,183
Developing countries	22,890	29,133	18,206	30,071	25,135	43,211
Product groups:						
Capsicum/paprika	20,102	29,661	15,752	37,598	21,928	47,899
Pepper	1,975	4,339	1,987	3,893	2,095	7,043
Cumin	445	366	612	702	646	929
Cinnamon	553	1,436	560	1,635	562	1,912
Coriander	71	73	214	169	471	530
Mixtures	590	3,104	478	2,624	239	1,190
Curry	16	27	74	86	249	248
Nutmeg	115	226	210	380	208	514
Thyme/bay	199	260	207	169	189	167
Turmeric	106	115	139	210	187	291
Ginger	49	101	50	110	97	186
Cloves	122	79	110	109	77	87
Mace	2	6	30	55	30	69
Caraway	9	10	8	8	18	17
Other spices	1,063	1,949	787	1,812	887	2,071

Source: Eurostat

Morocco, Zimbabwe and South Africa are major suppliers to Spain. A summary of the key sources of Spanish spice imports is as follows:

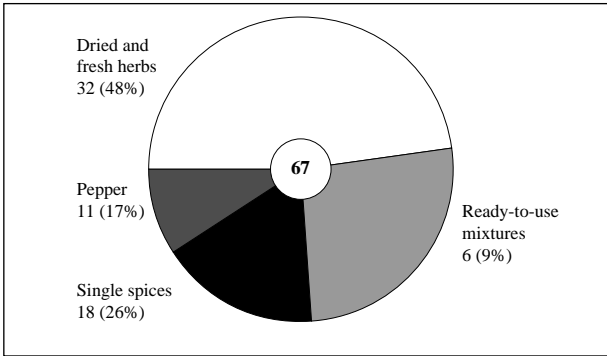
Capsicum, whole	Morocco, South Africa, Zimbabwe
Capsicum, dried, whole	Zimbabwe, Morocco, South Africa, India, Zambia, Malawi
Capsicum, ground (paprika powder)	Morocco, South Africa, Zimbabwe, Israel, Malawi, Chile
Sweet pepper	Zimbabwe, Morocco, Malawi, South Africa
Saffron	Iran, Greece, India, Morocco
Pepper	Malaysia, India, Indonesia, Singapore, Brazil, Netherlands
Cinnamon	Sri Lanka, Seychelles, Madagascar, Indonesia, Morocco
Cumin seed	Iran, Turkey, Syria
Anise/badian seed	Turkey, China, Vietnam, Syria, Egypt
Mixtures	Germany, France, Netherlands
Nutmeg	Netherlands, Indonesia, Grenada

After processing, which is a major Spanish industry, paprika powder is the key export product from Spain. Sales rose from 14,931 tonnes in 1995 to 19,491 tonnes in 1997. The latter represented 75 per cent of total spice exports, making paprika sales the major determinant of the overall level of Spanish spice exports. Spain is also the most important EU exporter of saffron, accounting for 68 per cent of total EU saffron exports in 1997, with a value of ECU 13.6 million. To a lesser extent, anise seed, cumin seed, thyme and bay leaves are also exported.

4.2.5 Italy

In 1997 Italy had around 57.3 million inhabitants. The average GDP per capita in 1996 was 16,600 ECU. Italy accounted for 3 per cent of EU spice imports by volume in 1997, with a total of 8,324 tonnes, valued at ECU 31.5 million. In 1997, the consumption of spices and herbs per capita was among the lowest of all the countries in the EU at 178 grams per year. Because of their preference for using fresh herbs and vegetables to season food, Italy is a relatively small market for dried herbs and spices. Far Eastern and other ethnic cuisine has not made as much impact on the market as in other EU countries. In the dishes of Northern Italy, butter, cream, cheese and meat are used with flavourings like sage, rosemary, thyme, juniper, nutmeg and cloves. Southern dishes feature more robust flavours like garlic, anchovies and capers with basil, oregano and marjoram. The food industry uses about 55 per cent of all spices consumed and large food processors in Italy are Parmalat, Unilever Italy, Nestlé Italy, Kraft-Suchard, Veronesi, Galbani and Eridiana. Large grinders/blenders/packers are Fratelli Bauer S.P.A. with the brand *Pirampepe*, C.P.L. Imperial S.P.A., Fratelli Pagani S.R.L. and Fabio Cannamela S.R.L. *Cremonini* is a well-known brand for luxury packed herb mixtures, which are rapidly becoming more popular. With a total value of ECU 67 million in 1997, Italy held a 6 per cent share of the total EU retail market for spices and herbs. Dried and fresh herbs are taking the largest proportion of the Italian retail market, as is shown in figure 4.10.

Figure 4.10 Market shares of spices and herbs in Italy, 1997
ECU million (per cent of total market)



Source: Euromonitor 1998, AIIPA 1999

In 1997, 70 per cent of Italian imports were sourced outside the EU and 60 per cent came from developing countries. Pepper of all varieties dominated imports and accounted for 40 per cent of total spice imports in 1997, with capsicum and paprika accounting for 20 per cent.

In 1997, the total amount of spices and herbs imported to Italy amounted to 8,316 tonnes. Between 1995 and 1997 imports showed a fluctuating pattern, mainly because of a slight fall in demand for pepper which occurred in 1996. The demand for capsicum/paprika, ginger, nutmeg and spice mixtures have increased. Other key items include fennel seed, turmeric and anise seed. Italy also imported 22 per cent of the saffron imported by the EU, which had a value of ECU 3.4 million. An overview of Italian imports by product group is given in table 4.10.

Table 4.10 Imports of spices and herbs to Italy, 1995-1997
ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	8,385	21,487	8,044	23,043	8,324	31,512
Intra-EU	2,361	10,713	2,356	11,305	2,557	13,541
Extra-EU	6,024	10,774	5,688	11,738	5,767	17,971
Developing countries	5,115	8,682	4,679	7,827	5,008	13,351
Product groups:						
Pepper	3,479	9,692	3,278	10,707	3,538	18,283
Capsicum/paprika	1,298	2,922	1,274	3,235	1,469	4,351
Nutmeg	383	784	361	738	500	1,194
Cinnamon	321	798	293	692	277	801
Coriander	295	123	197	118	264	225
Ginger	139	239	170	361	247	398
Mixtures	135	638	146	671	146	559
Cloves	134	152	81	164	114	142
Caraway	82	123	122	146	110	110
Thyme/bay	113	165	91	172	100	176
Cumin	56	95	61	88	72	115
Turmeric	60	54	57	57	55	59
Curry	56	110	65	161	57	166
Mace	47	131	24	70	45	211
Other spices	1,787	5,461	1,824	5,663	1,330	4,722

Source: Eurostat

Many herbs are grown in Italy and imports are sourced in nearby Mediterranean and North African countries. Important sources for key spice imports include:

Saffron	Iran, Spain, Germany, France
Pepper	India, Indonesia, Brazil, Netherlands, France

Capsicum	India, Spain, Germany, Hungary, Israel, China
Fennel/juniper	Egypt, Macedonia, Netherlands, Turkey, France,
Turmeric	Turkey, India
Nutmeg	Indonesia, Netherlands, Belgium, France
Cinnamon	Sri Lanka, China, Netherlands

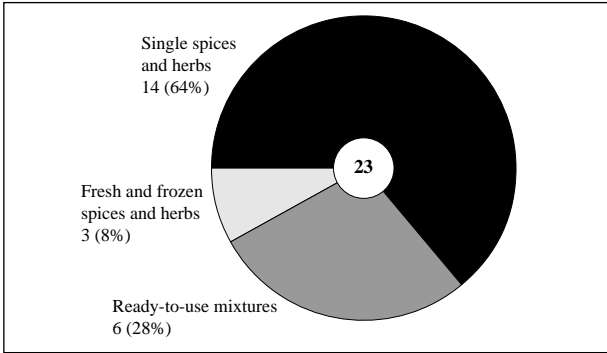
Italy’s exports of spices and herbs are confined mainly to fennel seed and juniper berries and the herbs which are important to Italian cooking such as oregano, marjoram, bay leaves, basil, and recently more herb mixtures (Toscane herbs). Between 1995 and 1997 Italian exports increased by 27 per cent to a total volume of 6,152 tonnes, mainly to other EU countries and the USA.

4.2.6 Belgium

In 1997 Belgium had around 10.1 million inhabitants. The average GDP per capita in 1996 was 20,800 ECU. With a total import volume of 11,822 tonnes in 1997, Belgium accounted for 4 per cent of EU spice imports, valued at ECU 37 million. In 1997, the average consumption of spices and herbs per capita in Belgium was 278 grams per year. Belgium remains a relatively small market for spices and herbs. Unlike The Netherlands, Belgium does not have strong trade links with spice producing countries.

The food industry, including food processors, uses about 60 per cent of all spices consumed in Belgium. The most important retail brands for spices and herbs are *Liebig, Erica, Ducros,Topo* and *India*. Large grinders/ blenders/packers are Caldic Food, AVISPA and India Specerijen B.V.B.A. With a total value of ECU 23 million in 1997, Belgium held only a 2 per cent share of the total EU retail market for spices and herbs. Between 1993 and 1997 the Belgian market grew by 10 per cent and it is expected to grow further because of changing trends similar to those described for The Netherlands. In 1997, dried spices and the fast growing ready-to-use spice mixture segment took the largest proportion of the Belgian retail market, as is shown in figure 4.11.

Figure 4.11 Market shares of spices and herbs in Belgium, 1997
ECU million (per cent of total market)



Source: Euromonitor 1998, AVISPA 1999

Quite a high proportion of spices (especially spice mixtures, ground pepper, nutmeg, vanilla, curry) are purchased by importer/wholesalers and end users from traders and packers in other EU countries, especially The Netherlands, Germany and France. In 1997, 36 per cent of Belgian imports were sourced outside the EU and 30 per cent from developing countries. Spice mixtures dominate imports and accounted for 27 per cent of total spice imports in 1997. Spice mixtures are the only product in which Belgium plays a significant trading role: imports of 3,084 tonnes in 1997 accounted for a share of 34 per cent of total EU imports.

Pepper and paprika accounted for 24 and 15 per cent respectively of total Belgian imports. Between 1995 and 1997 imports showed a steady growth, mainly due to a higher demand for all product groups, except for the category "other spices". An overview of Belgian imports by product group is given in table 4.11.

Table 4.11 Imports of spices and herbs to Belgium, 1995-1997
ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	9,485	27,008	10,460	29,749	11,822	37,067
Intra-EU	6,425	20,443	7,167	22,940	7,507	25,216
Extra-EU	3,060	6,565	3,293	6,809	4,315	11,851
Developing countries	2,885	6,149	3,004	6,205	3,634	9,370
Product groups:						
Pepper	2,636	7,248	3,112	8,719	3,316	12,617
Mixtures	2,178	6,352	2,463	6,919	3,084	8,051
Capsicum/paprika	1,338	4,288	1,047	4,084	1,287	5,434
Nutmeg	532	959	643	1,148	822	1,899
Ginger	148	203	157	281	611	1,215
Curry	298	402	345	457	309	509
Thyme/bay	229	658	286	840	239	838
Cinnamon	150	409	147	382	224	473
Coriander	164	163	162	147	213	223
Cumin	45	70	131	161	122	185
Mace	71	228	86	278	110	579
Turmeric	75	84	116	107	92	103
Cloves	69	88	75	108	77	108
Caraway	11	22	14	22	72	46
Other spices	1,541	5,834	1,676	6,096	1,244	4,787

Source: Eurostat

About two thirds of Belgian spice imports are sourced in other EU countries. Imports directly from origin countries are important in the case of unground pepper (Indonesia, Malaysia, India, Thailand, Madagascar, Brazil), capsicum (Spain, China, Netherlands, Chile), nutmeg (Indonesia, Netherlands), ginger (Netherlands, Costa Rica, China, Burundi), thyme (France, Morocco) and bay leaves (Turkey).

Belgian demand for dried culinary herbs is not significant compared to the other EU markets and in 1997 amounted to about 480 tonnes.

Exports of spices from Belgium are mainly spice mixtures, pepper, paprika, nutmeg and cumin, and go primarily to neighbouring EU markets, especially Germany, France, Netherlands, Spain and Portugal.

5 ACCESS TO THE EUROPEAN UNION MARKET

5.1 Quality and grading standards

The bulk of spices entering international trade are in whole and unground form. Spices are cultivated mainly in small holdings or production units and treated as inter-crops. This growing process is labour intensive. Traditional planting methods are used, and production is often unplanned. There are no funds for research and development and there is a lack of market information in the consuming countries. Usually spices are regarded as small cash crops, which are tended by small and marginal farmers. Since cultivation takes place in rural areas, the practices followed by farmers tend to be rudimentary, often resulting in unclean products which are liable to microbiological contamination.

Spices are primarily used in foods and tend to play a more prominent role as a food preservative or as so-called “nutriceutical” food products, which are used in preventive health care systems. Spices are typically used in foods which are consumed raw, or are added to foods after cooking, while herbs are frequently used after maceration or infusion, without boiling. Occasional salmonella contamination has been found in spices and herbs. This has caused special concern and authorities in all EU countries are increasingly applying very stringent phyto-sanitary regulations on imports, which are enforced by law.

5.1.1 Importance of research and development

The contamination of spices, particularly by pesticide residues, is critical. Furthermore, with the banning of ETO (ethylene oxide) as a fumigant in Europe and consumers’ unwillingness to accept irradiated foods, the eradication of bacterially loaded spices is a priority issue on both environmental and health grounds. Therefore, the need for clean, safe, pure, natural and bacteria-free spices is of utmost importance. Quality assurance should start at the farm and should be thorough at all stages right through to final export of the products.

The industrial sector is increasingly looking for more added value in products and tends to require suppliers to be “partners”, instead of simply suppliers. They prefer suppliers to be more involved in the actual product development and to come up with their own concepts or ideas, which are often based on research and development.

In the past few years, co-operation between developed countries and developing countries in spice research has been insignificant. Better communication beforehand about flavour, strength, colour, method and period of storage and the final use to which the spice will be put by the end user, gives a much more accurate specification of the required spice or herb. This communication also helps to give exporters the full picture and background of the standards required, which may differ from case to case.

When ground or pre-packed (mixed) spices are imported, it is expected that thorough testing for contaminants or other residues have already been conducted in the producing country. The importance of research in post-harvest technology and the testing of mixed spices in the producing countries has become crucial if these products are to comply with the strict quality requirements of international markets.

In most developing countries, low priority is given to research programmes on spices and herbs. However, Indonesia and India have undertaken several successful initiatives. Training programmes at various levels, designed to give farmers, traders and exporters the knowledge of how to improve the quality of spices, have been organised. For example, the Spice Board of India organises “spice upgradation programmes” and has set up a quality and upgrading laboratory, which offers analytical services to exporters for the analysis of spices for physical, chemical and microbial contaminants. The address of the Spice Board of India is given in Appendix 3.

The actual quality standards required are set primarily by importers and major end users against the background of the health and safety requirements demanded by the Dutch (or other EU national) Food and Drugs Act. The main quality factors considered by traders in selecting spices and herbs are appearance, flavour, aroma, colour, volatile oil content and cleanliness.

5.1.2 EU standards

The European Spice Association (ESA), which represents 12 major national spice associations in Europe, has now developed an “ESA Contract” which indicates minimum quality standards for imported spices, methods of arbitration and enforcement procedures. The draft contract was launched at the ESA General Assembly in France in May 1996 and forms the basis for all future contracts with EU purchasers.

The ESA specifications of quality minima for spices and herbs are the proposed legal minimum standards for selling into the EU. But it must be emphasised that the quality requirements of traders in major northern European markets (Germany, The Netherlands, United Kingdom and France) are generally much stricter. Further information can be obtained from ESA. A detailed overview of ESA specifications of quality minima for spices and herbs and the address are given in Appendix 3.

Since 1996, there has been a ban on ethylene oxide as a sterilising agent. Although sterilisation by irradiation is efficient, there are objections: the product’s quality may be changed and consumer attitudes to irradiated food are negative.

Low moisture content in spices is said to make them safer when irradiated. Since the process uses radioactive isotopes, both the workers in irradiation facilities and the people and animals in nearby communities are at daily risk of exposure from potential leaks and as radioactive materials must be transported to and from irradiation sites, leaks and traffic accidents pose a threat to people and land. Irradiation can also result in the creation of new chemicals in foods. These include known carcinogens like benzene, formaldehyde and certain peroxides. Irradiation may also destroy nutrients essential to human health such as vitamin C, thiamin, vitamin E and polyunsaturated fats. Relevant regulations are included in a special decree for irradiated food in the Food and Drugs Act.

Steam sterilising, which provides an excellent method of reducing bacteria count, is now being used more often. Large processors use computer-controlled processes of rapid steam heating of spices and herbs under pressure.

5.1.3 Dutch standards

The Netherlands is a very significant spice trader for many European countries and the spices bought are therefore determined by the requirements both of Dutch industry and also of end users in the major export markets. The quality standards required by Dutch traders must ultimately meet the strict specifications of supply set by the food industry and by companies in the spice blending, processing and packing sector.

In the Dutch Food and Drugs Act (“Warenwet”), the minimum standard requirements for spices and herbs are laid down in the Spice Decree. This decree provides a general description of what the law understands by the term “spice” (the Act uses this term to include both spices and herbs) and lists the products for which the term “spice” may be used, giving for each a specification of the plant, or family of plants, from which the spice was produced.

In summary, the Spice Decree demands that a “spice” must:

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- have a colour, taste and aroma which is characteristic for the spice under consideration; only contain a small quantity of insects, animals or parts thereof, as indicated in the regulation on residues. This lists in detail which residues are allowed in spices and herbs (more than 300 residues in total) and describes how many parts per million are
- allowed;
- not be spoilt or visibly mildewed;
- not have had any substances extracted, except in the case of mustard flour of which a
- part of the fat may be extracted;
- contain no ethylene oxide. Since 1991 the use of ethylene oxide in the cleaning process
- has been banned (it is prohibited throughout the EU);
- contain no added colouring agents;
- contain no other additives.

Other regulations concerning broken down and mixed spices include the following:

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- if a spice is ground or otherwise reduced, the name should be accompanied by the terms
- “broken”, “ground”, “powder” or “flour”;
- mixtures of spices must be indicated by the term “spice mixture”;
- the term “curry powder” may only be used for mixtures containing more than 15 per
- cent of tumeric;
- food and beverages in which a certain spice mixture is an essential characteristic must give an indication of the amount of the spice in percentages of the total product, and a qualitative description of other ingredients, unless prescribed otherwise in the Food and Drugs Act.

In general, requirements on cleanliness and admitted levels of pesticides and herbicides are strict and testing procedures to detect microbiological contamination, especially from pesticide residues, are becoming more severe. The absence of aflatoxin and salmonella are critical: evidence of salmonella infection in a shipment would lead to all the merchandise being condemned by the public health authorities. Phytosanitary regulations tend to be

stricter for broken down spices and herbs. This is one reason why Dutch importers hesitate to buy broken down products because, if there is contamination, they are more difficult and more costly to clean than whole spices and herbs.

Except for marjoram and bay leaves, most herbs are not specifically covered by the Spice Decree Requirements on cleanliness and the safety standards relevant to herbs are those applied to food products in general. The Netherlands Food and Drugs Act specifies which additives may be used in food. Control for this Act lies with the Food Inspection Service. In the HACCP system, which is explained in more detail in section 5.3.4, the elements of the Food and Drugs Act are automatically taken into account. Further information can be obtained from the Food Inspection Services, whose address is in Appendix 3.

5.1.4 ISO-NEN norms

NEN norms are the official standards for Dutch trade and industry. There are 22 NEN norms, which apply specially to spices and herbs. These frequently stem from internationally recognised ISO norms. There are norms which specify the analysis method for the content in spices and herbs. In addition, there are norms which set the specification for ground paprika, cloves, cinnamon, caraway seed, black and white pepper, nutmeg, mace, rosemary, chillies, sage, basil and badian seed. Full information can be obtained from the Dutch standards organisation (NNI). A list of the NEN norms relevant to spices and herbs and the address of the NNI are given in Appendix 3.

5.1.5 Standards for organic spices and herbs

There is growing demand for organic spices and herbs in Europe. Legal standards and control procedures for organic agriculture and production throughout the EU came into force on January 1, 1993 with the adoption of Directive (EEC) 2092/91. In The Netherlands the term “biologisch” (organic) is protected by law and can only be applied to products which have been certified by the official inspectorate SKAL. Certified products carry the official symbol “EKO”. Within Dutch law the EU directive was given legality in the “Landbouwkwaliteitswet” (the Agriculture Quality Act) and the “Regeling Biologische Produktiemethode” (the Agricultural Quality Act) and the “Regeling Biologische Produktiemethode” (Regulation for Organic Production), which came into force on January 1, 1993. In summary, these rules:

- set standards for the production of organic food, together with requirements for record keeping, labelling and marketing. For a product to be certified as “biologisch” (the official protected Dutch term for organic) in The Netherlands or the equivalent registered term in other EU markets at least 95 per cent of the ingredients must be of certified organic origin. The regulation stipulates in detail which additives, preparations and processes are permitted in the growing, processing and packaging of certified organic foods;
- set out registration and inspection rules. In The Netherlands the organisation SKAL has the official legal authority for inspection, licensing of production units and certifying of organic foods;

- require that organic foods, imported outside the EU are grown and certified to an equivalent standard. When a Dutch importer seeks authorisation from the Ministry of Agriculture to import from a new organic supplier, both the production unit and the foodstuffs to be supplied must be inspected by an organisation which is on the EU list of approved organic inspectorates. Each EU market has one or more approved inspectorates and a small number of inspectorates in non-EU countries are officially recognised as equivalent. These are the inspectorates in Australia, Argentina, Israel, Hungary and Switzerland.

If there is no nationally approved inspectorate the production unit and products must be inspected and certified by an outside-recognised inspectorate. The Dutch SKAL organisation is active world-wide in this regard. Their address is given in Appendix 3. A brochure in English is available.

A useful booklet entitled “EEC Regulation ‘Organic Farming’ – Market Access for Third Countries” is available from IFOAM, the International Federation of Organic Agriculture Movements in Germany (address: see Appendix 3). More information on organic food can also be found in CBI’s market survey entitled “Health Foods”.

5.2 Packaging, marking and labelling

5.2.1 Packaging standards

For the packaging of almost all spices and herbs, ISO standards were established in 1998. In general, spices are required to be packed in clean, hygienic materials, which do not interact with the product itself and which protect them from moisture or loss of essential oils. The required packaging and labelling will always be specified in the contract between the exporter and the importer. Conventional packaging for most of the important spices and herbs is jute or sisal sacks of variable size (+/- 25-60 kg), preferably lined with appropriate plastic to make them waterproof. Bags must be cleaned and disinfected before being re-used, but it should be noted that the European Spice Association (ESA) made a packaging specification stating that jute or sisal should conform to the CAOBISCO standard reference C502-51-sj. This standard refers to the nature and quantity of batching oil residues in the packaging material. The ESA considers jute or sisal as a source of contamination, which may occur in the form of loose particles from the bags entering the spices.

Regarding national packaging standards, French standards give a representative example for other EU countries. They state that some spices (pepper, cinnamon, cumin, cardamom, cloves and vanilla), in the whole or powder form, should be packed in clean, sanitary containers, made from materials which do not react with the product and which prevent increase in humidity and loss of essential oils. French standards for most spices are similar to those of the ISO, however sometimes there are large differences, as in the case of ground cloves (ISO 2254) or cinnamon (ISO 6539). The International Standards Organisation (ISO) or the International Trade Centre (ITC) can be contacted for further information; addresses are given in Appendix 3.

Cinnamon is normally packed in bales and for other spices steel drums or wooden cases are used. Saffron and vanilla are usually packed in metal boxes inside wooden crates or cardboard cartons. Before shipment, spices and herbs must be thoroughly dried to avoid the formation of mould. Care should be taken to prevent loss of flavour and colour while drying. Importers will generally require fumigation against insect infestation to be carried out before shipping.

5.2.2 Packaging requirements in retail sector

The packaging of spices for the retail sector must ensure a long after-sale shelf life. Spices are used only in small quantities and infrequently, so containers (plastic or glass jar or drum) must re-close securely and keep the spice or herb in good condition for periods of a year or more. They are usually kept in the kitchen, often in the hottest, dampest area. In most EU countries the most common containers are glass jars with a plastic screw cap because they keep moisture and odours out, open and reclose easily and prevent volatile components from deteriorating.

Plastic, aluminium and high density polyethylene containers are used to some extent but are not widespread. The two areas of most importance are the label and the cap. Both are usually colour coded, so that the required spice is easily identifiable. The label, which could be the key to selling the product, is very often neglected, especially in developing countries. The paper used should be of high quality and the label should be attractively designed, preferably by a graphic designer. Glass jars are usually of the same size and are typically filled completely despite the different resulting weights, which can vary from 10 to 60 grams.

Most packaging and labelling requirements are drawn up to meet food safety and environmental protection standards. Some spices have special packaging needs. For example, pepper is hygroscopic in nature and therefore requires packaging material which allows it to “breathe”. Turmeric powder also requires special packaging material. Insistence on standard biodegradable packaging material may spoil the character of the spice itself. Spices, by definition, have high volatile oil levels and it is important that their packaging is able to preserve these oils.

5.2.3 Labelling

Labelling must clearly indicate the name of the spice, its state (i.e. whole, crushed, ground etc.), brand, producer or packer, production code, packaging date, year of harvest, net weight, country of origin and batch number. In the case of small packs destined for the retail sector, only the names, addresses and net weight are required on the package, unless agreed otherwise in the sales contract. Irradiated spices must be marked “spices treated by ionisation” or “spices treated by ionising radiation”. Additional labelling requirements are generally specified in the contract by the importer.

Labelling requirements can be a major obstacle for spice producing countries, where meeting the requirement for information on nutrition values on the labels may be extremely difficult because of the absence of reliable data on nutrition values in spices. Also, bar-coding may be a problem in countries with inadequate facilities to apply these to labels.

5.3 Trade-related environmental measures

Growing awareness of environmental pollution and hazardous ingredients, particularly in the bio-industry, and more criticism by consumers, has led to a reduction in the use of chemicals in foods that are dangerous to human health. Consumers are showing a growing willingness to pay premium prices for higher quality products in terms of flavour, food safety and environmental aspects. In the EU there are strong environmental concerns in Germany, Scandinavia, The Netherlands and increasingly in other EU countries. Environmental issues mainly concern GMP (Good Manufacturing Practices), phytosanitary measures and the use of pesticides.

5.3.1 Financial instruments in the EU

In addition to legislation, the EU promotes environmentally sound products by awarding tariff preferences or by the levying of so-called “environmental taxes” on products. The major instruments are subsidies and the Green GSP (General System of Preferences). Here extra preferences can be granted to producers who show their commitment to environmental and social issues by cleaner and safer production techniques. On the other hand, some EU countries, including The Netherlands, discourage the entrance of polluting products by imposing the so-called “ecotax”, which is placed on energy consumption.

5.3.2 Sustainable development and ecolabels

The concept of sustainable development, adopted by nearly all the countries in the world at the 1992 Rio de Janeiro Conference, represents the philosophy that economic development should automatically take into account environmental issues. In this respect all parties, from the general public to manufacturers, are asked to accept their social responsibility and minimise the environmental impact of their activities. This is called sustainability. In recent years, issues such as (environmental) Life Cycle Assessment of products, Cleaner Production (CP) and Ecodesign have all become important tools for companies. These changes in production methods are meant to improve the environmental performance of manufacturers and create more sustainable development in their country.

In Europe, some “green” marketing tools such as ecolabels (for products) and environmental management standards (for the whole organisation) have been created both by governments and private parties. An ecolabel is voluntary and is found mainly on the packaging of the final product. For the medium term, it is clear that an EU ecolabel will not be established for spices and herbs. However, various member states have their own ecolabels. In The Netherlands the “Stichting Milieukeur” (the Dutch Ecolabelling Foundation) is planning to develop criteria for spices and herbs. Criteria have already been established for pepper. These ecological criteria comprise a whole Life Cycle Assessment (LCA) where the product is evaluated from the raw material stage to the disposal of waste. SKAL is an inspection organisation for organic production methods, authorised by the Netherlands’ and German governments in accordance with EEC Regulation 2092/91. Internationally, SKAL is a member of IFOAM (International Federation of Organic Agriculture Movements). Each organic product, as well as the producer/trader, must be inspected and approved before it may carry the EKO symbol. SKAL also assist exporters in obtaining the necessary import authorisation. Detailed information can be obtained from SKAL; the address is given in Appendix 3.

5.3.3 Environmental standards

Ecolabelling procedures are aimed purely at products and indicate that products carrying an ecolabel have a less impact on the environment. If a manufacturer wants to publicise the fact that he is manufacturing in an environmentally sound way, he can comply with standards which have been developed for this purpose. At the moment, there are two general, but voluntary, standards to which manufacturers can comply: BS 7750 and ISO 14001. Both standards are based on the popular ISO 9000 series of standards for quality management. One norm currently being developed is called the EU's Ecological Management and Audit Scheme (EMAS), but as this only applies to companies with production facilities within the EU, it is usually not relevant for manufacturers in developing countries. So far, EMAS registration is widely accepted only in Germany. It is therefore expected that other EU companies will favour ISO 14001.

5.3.4 Hazard Analysis Critical Control Point (HACCP); standard in food industry

According to the EU Directive on Hygiene for Foodstuffs (93/43/EC), the HACCP system must be the basis for safety procedures for all foods. The HACCP system is a statutory requirement for all food producers, traders etc. in the EU which requires them to identify each aspect of their activities which have a bearing on the safety of foodstuffs and ensure that suitable safety procedures are established, applied and maintained. All food processors are legally bound either to have a HACCP plan or to be working on a HACCP system, which is also applicable to companies that process, treat, pack, transport, distribute or trade foodstuffs. These companies are forced to understand the possible hazards associated with food production at all stages, from growth, processing, manufacture and distribution, until the point of consumption. This includes all risks associated with macro-biological (vermin), micro-biological (viruses, bacteria, moulds), toxicological (chemical contamination with pesticides), or physical (wood, metal, glass, plastic or fabric) contamination. Food processors must eliminate possible hazards by using effective prevention methods, to ensure that there is no potential risk to consumers.

5.3.5 Issues related to herbs and spices

Spices and herbs are products from the wide category "agriculture", which carries the strictest compulsory standards, with organic agriculture being the most tightly regulated environmentally sound agricultural practice. Its main focus is on minimising environmental damage and on sustaining or building soil fertility. Organic agriculture is commonly perceived as refraining from the use of chemical inputs, such as synthetic fertilisers, pesticides, herbicides or defoliants. More environmentally sound alternatives are suggested to replace chemicals, such as good crop rotation, particularly incorporating legumes; the careful management and use of manure and crop waste; the use of appropriate cultivation techniques; natural and biological pest and disease control measures and mechanical and other non-chemical weed control techniques. Before full organic status is achieved, the land must undergo a conversion period of generally one to three years.

5.3.6 Sources of contamination

During the growth, treatment, transport, packaging or production processes there are several factors which may cause the contamination of spices and herbs, which are:

- excreta, which is one of the major contaminants. The presence of rodent, animal or bird excreta/urine renders a spice unclean. It may also make the spice unsafe for human consumption, since it may carry harmful bacteria such as Salmonella;
- live or dead insects or insect parts, which are another major contaminant and a spice may be considered adulterated due to their presence. If live insects are present in any product at any time, the spice must be treated to kill them;
- mould in spices, carried by spores or insects, can affect the flavour quality of the product. Certain moulds produce toxic substances, some of which are known to cause cancer. Ginger, for instance, can be particularly susceptible to mould growth if it becomes wet after the initial drying while in storage;
- extraneous matter, which covers a large group of miscellaneous items. Stones, sand and dirt may be incorporated into the product from poor harvesting, drying and processing practices. All reduce the quality of the spices, are considered to be harmful to individuals and should be removed before further processing;
- chemical contaminants include herbicides, insecticides and fumigants. The residues of these chemicals can present a health risk and their use on growing crops and stored products must be controlled.

5.3.7 The use of pesticides

Opponents of the use of pesticides argue that pesticides can often be replaced by non-chemical methods of pest control. There have been many methods developed to reduce dependence on the use of pesticides. Alternative methods such as planting resistant cultivators, crop rotation, pest-avoidance plantings and harvest times, proper sanitation and irrigation have been used by competent growers for decades. The use of natural predators, parasites and pathogens has had some success. Integrated Pest Management (IPM) seeks to integrate all available non-chemical methods with a minimal use of pesticides, to achieve crop and livestock pest control.

One of the serious problems in the growth of organic agriculture is the lack of non-chemical alternatives for pest control. This is caused by a lack of credibility in the available alternatives, a shortage in supply and a corresponding price difference of the final product, which still is a barrier for consumers.

A discussion on the international harmonisation of residue tolerances and policy was initiated by the WHO (World Health Organisation) and this has led to the determination of the Acceptable Daily Intake (ADI), the amount of pesticides which human beings can ingest daily without any risk to their health. In the EU, several directives have been formulated for pesticide residues on agricultural products.

5.3.8 CBI's environmental efforts

For detailed information about environmental aspects relevant to trade, please refer to the Eco Trade Manual, which can be obtained from CBI. Information can also be obtained through GreenBuss®, CBI's on-line database for Environment, Trade and Technology, which can be found on the Internet, at: <http://www.kommanet.nl>. CBI has also provided an environmental quick-scan for selected food ingredients, which includes spices and herbs. Its purpose is to inform individual companies about relevant environmental standards in trade and to offer them solutions to meeting these standards.

5.4 Tariffs and quotas

Since the completion of the single EU market, the external trade conditions of all members, including The Netherlands, have been governed by common regulations and trading agreements. If there is no special trade agreement in force, the general import tariffs apply. For many developing countries, some kind of preferential trade agreement may apply. An example is the Renewed Generalized System of Preferences (RGSP) or the Lomé Convention for the ACP countries (Africa, Caribbean and Pacific).

Under these schemes, general import tariffs for the least developed countries are reduced to zero. In the case of spices and herbs this rule applies also to imports from the countries that have signed the fourth Lomé Convention. Goods originating in China, Thailand and Malaysia are excluded from the RGSP.

Since January 1, 1995, the EU operates the above-mentioned RGSP. The duration of this system was intended to be four years (until December 1998), but it will continue officially until July 1999. The tariff preference for products from developing countries effectively reduces the General Customs Tariff (GCT) and does not impose quantitative restrictions in EU countries. All spices and herbs are exempt from quantitative restrictions.

The import duty for spices and herbs can presently be reduced by showing a Customs Authority Certificate of Origin ("form A") and a permanent reduction is being considered. In addition, a Movement Certificate EUR 1 is required to show where the products have been produced (the country of origin). Except for sweet pepper (paprika), paprika powder, dried capsicum, vanilla, cloves, saffron, thyme, badian seeds and spice mixtures the tariff under the GSP scheme is, for most developing countries, reduced to zero. A detailed overview is given in Appendix 4.

For up-to-date information on import tariffs and for an updated list of least developed countries the Customs Authorities in Rotterdam, The Netherlands, can be contacted. Information can also be obtained by telephone, in The Netherlands and from abroad. The relevant information numbers are given in Appendix 9. The HS code of the product concerned must be always mentioned. Other information sources are the European Commission, the branch organisations or importers. Details of the GSP are published annually in the Official Journal of the EU, which can be obtained from the European Commission, whose address can be found in Appendix 10.

5.5 Terms of the trade

5.5.1 The contract

It is important to realise that differing customs, habits and traditions can cause problems in business relationships, even after both partners have carried out sound preliminary investigations. A contract is not necessarily a document. If two parties agree on something verbally, this verbal agreement is a contract according to most European laws. Since it is difficult, in the case of a verbal contract, to prove that something in particular has been agreed upon, the agreement should always be confirmed in writing.

The Contract

Details, which must be mentioned in a contract, are:

1. The contract parties: the seller, the buyer, the broker and/or buying/selling agent, with all names and addresses correctly spelled.
2. The product, price and quality of the product must be sufficiently specified, so that no misunderstandings can arise.
3. The quantities must be mentioned. If the buyer and the seller agree to more or less than the agreed quantity, this should be specifically mentioned.
4. The delivery terms should be mentioned according to the description of the Incoterms 1990 (available at the International Chamber of Commerce).
5. Payment terms are to be spelled out in detail.
6. The delivery time is a vital piece of information on which the seller and the buyer will have to agree.
7. Packaging details, including measurements and weights.
8. If one of the parties has negotiated special conditions, this is to be mentioned in the contract.
9. What will be done if the two parties disagree with each other? To which arbitration court/district they will go?

Contracts are taken extremely seriously in Europe, as well as in the USA and Japan.

A contract is of vital

importance if there is disagreement. A dispute may arise for example because:

- the buyer is of the opinion that goods/equipment are delivered late;
- the agreed quality level has not been met;
- the seller is of the opinion that the buyer does not live up to his financial commitments.

Written contracts are common in the spices and herbs trade, but may vary according to the nature of the agreement. In some cases, sales take place by “gentlemen’s agreement”, when buyer and seller undertake to honour the conditions they have agreed verbally. Trading relations between the exporter and the importer are based on trust, and can only be built up when the exporter meets the high expectations of the importer. A delay in delivery or a difference in quality may harm the importer’s confidence, which is an essential condition for the establishment of a long-term business relationship.

5.5.2 Payment methods and delivery terms

The determination of payment conditions for regular export transactions is part of the package of negotiations between seller and buyer, who each have more or less opposing interests. The seller wants to have the largest possible guarantee of financial coverage of the goods he has to supply according to his sales contracts. The buyer wants to be sure about the availability, quantity and quality of the goods he buys, before he pays the agreed price.

Common methods of payment include:

Clean payment

This is the most common method and is used when both parties know each other well. The process is fast and reliable, depending on the credit worthiness of the importer. The bank carries out the transactions through a swift electronic data system and the transfer costs are not very high.

Documents against payment (D/P)

Also known as cash against documents (CAD). The buyer takes possession of the goods only after payment. Although this method is not very popular, it is very safe and the costs about one pro mille. One can also make use of a “documents against acceptance of a bill of exchange”, but this Bill of Exchange is not commonly used in the EU and it does not guarantee that the bill will be paid. It is therefore less secure than the D/P.

Letter of credit (LC)

The irrevocable LC is very often used at the beginning of a business relationship when the importer and exporter do not yet know each other very well. The LC is irrevocable and will always be paid.

The costs, namely five pro mille, are higher than the D/P method. This method is widely used in the European Union when dealing with exporters from outside Europe.

Bank guarantee

The buyer's bank will present a bank guarantee for the amount of the invoice.

Cheques

Bank guaranteed cheques are generally no problem, though cashing them may take some time, and in some cases up to six weeks. Not all personal cheques are accepted.

Payment on consignment basis

Payment on consignment basis is often used in the trade of perishable products. The products are sold at a predetermined price after a mutually appointed arbitrary person (General Super Intendence Company (GSC)) has controlled the quantity, quality and other aspects of the sold products at the moment of acceptance/sale.

If the products do not meet the conditions as described in the contract, the contract is not valid and, depending on the conditions of the contract, prices are generally adjusted. An open contract is used to make the payment after 14 days from acceptance/sale.

In the spices and herbs trade, LC and CAD are the most frequently used methods of payment. However, methods of payment vary from company to company. Once trading relationships are established, clean payments are often used.

For every (new) supplier the importer considers very carefully which method of payment that should be agreed upon. The same applies to delivery terms.

Common delivery terms include:

- **FOB** (Free on Board): the buyer arranges for transportation and insurance. FOB must specify the port of departure.
- **CFR** (Cost & Freight): the exporter pays the freight, the buyer arranges for the insurance.
- **CIF** (Cost, Insurance & Freight): the exporter pays the freight and the insurance.

5.5.3 Business practise

The market for spices and herbs is highly competitive and is dominated by the large grinders/processors. In the recent past retailers have become stronger and more often decide for themselves what and when they will buy from grinders. In some fast growing segments, there are opportunities for exporters, provided that the product is reliable in quality, meets the strict EU standards and that delivery is consistent! The use of an importer or agent, who is well informed of the latest trends and who can take care of merchandising, is invaluable in order to penetrate the market. Alternatively, direct sales of private labelled spice mixtures to retail multiples may possibly give entry to a market, provided they are of a consistent quality level and can be delivered on a regular, reliable basis. Importers complain that new products are often offered by exporters who have no idea about their market potential for his business. It is, therefore, worthwhile for exporters to research the market thoroughly to determine exact details of importers and their industrial sector consumers or consuming retail organisations, before contacting them.

In general, the following steps are recommended when trying to establish business contacts in EU markets:

Assuming that the exporter has done his homework by studying the market possibilities, the next step is to select potential trade partners in EU countries. Names and addresses of relevant importing companies in The Netherlands can be found in Appendix 12. When the exporter has pre-selected a number of potential trade partners, the next step is to communicate by mail, e-mail, fax or telephone with potential partners.

When corresponding by mail, exporters should send documentation both on their company and its product and, if available, information on quality certificates. These documents should be as detailed as possible and should be written in English, stressing the quality and capability of the company, and giving information on the production capacity, processing and quality/safety control facilities. It is not advisable to exaggerate the potential capacity of the company. Most importers visit producers and exporters before placing orders, so that they can get to know the business partner and see for themselves the production and/or processing facilities and conditions.

It is best to quote prices (FOB or CIF) in US \$, always bearing in mind that the exchange rate between the US \$ and NLG varies, influencing the price which will be received at the moment of the transaction. Because of fluctuations in exchange rates, it is strongly advised not to guarantee product prices over an extended period of time. It is safer to quote prices linked to a date and/or the exchange rate. Regarding the final price of the product, transactions must always be subject to final confirmation. This avoids problems with fluctuating exchange rates.

If there is a promising response from the (potential) Dutch trade partner, a business trip to The Netherlands can be the next step. This allows potential suppliers to establish direct and personal contact with their potential business partners. At the same time, samples of competitive products available on the Dutch market can be obtained so that comparisons can be made on price, quality, brands, design, packaging and labelling. This is very important as, in most cases, new products will need to be adapted before they can be successfully launched in the Dutch market.

Differing customs, habits and traditions can cause problems in business contacts, even after both partners have carried out sound preliminary investigations. Dutch importers are careful in their selection of a supplier and they will thoroughly scrutinize the product offered. Furthermore, they are well known for their no-nonsense approach to business. In some cases, this may lead to a culture shock for exporters or manufacturers from developing countries.

The following points should be borne in mind when dealing with firms in The Netherlands:

- correspondence is important, since it presents the company to the recipient and should be as correct, accurate and neat as possible;
- approach the right contact person in the potential distribution company. In the case of direct contact with retailers, store buyers are divided according to the product category they represent and are called “category managers”. Spices and herbs, vegetables, sauces, dressings and international food corners are different categories and purchasing is generally carried out by individual buyers within the same company;
- Dutch businessmen tend to be direct, open and straightforward;
- business comes first;
- consistency, punctuality, reliability and honesty are very important. New suppliers should be honest and direct about delivery time, quality and/or production capacity. If necessary, the Dutch partner can offer assistance in order to improve any

shortcomings, either directly or through the assistance of a third party. This will help to increase credibility and possibly lead to long-term export agreements;

- appointments are made prior to any visit. Once an appointment is made it is final; in case of delay, the company contact should be informed as soon as possible;
- prepare a product introduction plan, indicating clear targets in terms of sales, profit and distribution coverage within a certain period of time. A detailed proposal of the product and target group will be taken seriously.

Some of the problems which have a negative effect on the development of business between exporters from a developing countries and Dutch importers are:

☞ **bad communication with the supplier**

telephone and fax are indispensable; telex is hardly used anymore in the EU; e-mail is becoming increasingly popular;

☞ **delayed replies**

answer any question as soon as possible, if not straight away, to let the importer know that you are working on his question;

☞ **late delivery**

make sure you can deliver on time and never exaggerate your capacity. If there is a delay, contact the customer promptly and state the reason;

☞ **product quality leaves a lot to be desired**

investigate product improvement possibilities if necessary, but never ship poorer quality goods than those specified and agreed; quality is extremely important.

☞ **high exporters' margins**

adopt a positive attitude towards long-term relations instead of incidental exports, even if this leads to smaller margins. Quote realistic prices;

☞ **bad packaging**

investigate packaging problems (mutually) to reduce transportation costs and improve product quality and appearance;

☞ **violating exclusive rights clause in contract**

never try to breach the terms of the contract by selling to other trade partners. This can mean the loss of both partners, since the market is highly organised.

5.6 Promotion

Promotional activity in the Netherlands market for spices and herbs is mainly carried out by the grinder/processor/packers who know the market well and promote their brands. They are in a position to organise the necessary distribution through their own service merchandisers when a special promotion campaign in a particular (test) region or city is being organised. In the case of direct supply to retail organisations, a good knowledge of account management is necessary.

In order to make the introduction of a private brand a success, a promotion plan is made by the packer or by the retailer. Most often retailers expect packers to organise in-store

product demonstrations, displays, product samplings, make recipe leaflets or place advertisements or advertorial in the form of recipes in their in-store magazines. Recipes or suggestions in trying the spice in a different dish are given on the package of most spices and herbs.

Consumers tend to have a high brand loyalty in deciding which spices or herbs to buy and often purchase refill bags. There is still little known about which individual spices or herbs should be used in which dish, so packers consider that giving customers suggestions for their use is a very important sales aid.

Fresh herbs are now more often bought impulsively and can be found near vegetable displays which are visited by a much larger group of consumers. Dried spices and herbs are stocked by most supermarkets with blocks of jars and refill bags together, arranged by brand. Colour-coded lids have more impact when the blocks are displayed and a few supermarkets now have spices or herbs arranged in alphabetical order.

The use of promotional “hot spots” and recipe leaflets/booklets are generally providing consumers with reasons to try new products. Promotional hot spots of a range of six spices, brought together by a common theme, have been introduced, often in combination with recipe leaflets, to maintain consumer interest and stimulate impulsive purchasing.

5.6.1 Trade fairs

Generally, grinders, processors, packers and retailers keep themselves informed of the latest developments by visits to trade fairs all over the world. Here they can get an impression of new products and the latest trends and varieties in convenience foods. The key international trade fairs are the Food Ingredients Europe in Paris (France), the European Ethnic in Birmingham (UK). The largest EU food exhibitions are the ANUGA in Köln (Germany) and SIAL in Paris (France). The most important European trade fairs are given in table 5.1:

Table 5.1 International trade fairs for spices and herbs

Trade fair	Location	Date	Visitors
FOOD INGREDIENTS	Paris, France	September	65,000
FOOD INGREDIENTS	Frankfurt, Germany	November	45,000
FOOD INGREDIENTS	Budapest, Hungary	June	45,000
EUROPEAN ETHNIC CURRY/	Birmingham, United Kingdom	June	25,000
ORIENTAL SHOW	Wembley, United Kingdom	June	13,000
ANUGA	Köln, Germany	October	98,000
SIAL	Paris, France	October	95,000
ALIMENTARIA	Barcelona, Spain	October	55,000
ALIMENTARIA	Lisbon, Portugal	May	12,400
IBA			
(German Bakery Trade)	Bad Honnef, Germany	November	15,000
EXPO FOOD	Milan, Italy	November	25,000
INTERHERBA	Poznan, Poland	March	5,000
BIOFACH	Frankfurt, Germany	February	26,000
ROKA	Utrecht, Netherlands	April/May	17,000
HORECAVA	Amsterdam, Netherlands	January/February	13,000

Source: ESA, CIR, Miller Freeman, IFOAM 1998

Addresses of trade fair organisers and the frequency of the fairs can be found in Appendix 7. The latest information about trade fairs can be found on the internet site of Miller Freeman at: <http://www.dotfood.com/schedule/index.htm>.

5.6.2 Trade press

Leading national trade magazines for spices and herbs in the major EU countries are:

Title	Profile
International Food Ingredients	International monthly magazine covering the food processing sectors of the world (English)
International Pepper News Bulletin	Monthly bulletin covering the pepper trade in the world (English)
Market News Service	Weekly bulletin covering the spice trade in the world (English)
Hot Spice Newsletter	Monthly bulletin covering the spice trade in the world (English)
Lebensmittel Praxis	Weekly magazine covering the food sector in Germany (German)
The Grocer	Weekly magazine covering the food sector in the United Kingdom
Food News	Fortnightly magazine covering the food industry in the United Kingdom (English)
Food Manufacture	Monthly magazine covering the food processing industry in the United Kingdom (English)
LSA	Weekly magazine covering the food sector in France (French)
Alimarket	Weekly magazine covering the food sector in Spain (Spanish)
Nuova Distribuzione	Weekly magazine covering the food sector in Italy (Italian)
Distributie Vandaag	Monthly magazine covering the food sector in Belgium (Dutch/French)
Distrifood	Weekly magazine covering the retail sector in The Netherlands (Dutch)
Food magazine	Weekly magazine covering the food sector in The Netherlands (Dutch)
Food Personality	Monthly magazine covering the food sector in The Netherlands (Dutch)

The address of the publishers can be found in Appendix 8. Information on the world-wide trade of spices and herbs as well as of ingredients can be found on several Internet sites. Here the latest information on prices and some general market trends can be found. Also, links can be made with potential buyers in countries all over the world. Here also exporters have an opportunity to introduce their products or company profile through a linked web page on this site for a fixed fee. Some addresses of web sites are:

- <http://www.astaspice.org>
- <http://www.indianspice.org>
- <http://www.fioti.com>
- <http://www.dotfood.com/ingred/>
- <http://www.ingrid.co.uk>

5.6.3 Assistance with market entry

The stringent quality specifications and the standards for safety and health for all food products, which are designed to protect consumers, are the main barrier to market entry for new exporters. These exacting requirements are continually forcing exporting countries to upgrade the quality of their spices and herbs through the adoption of improved cultivation techniques, reliable sourcing programmes, better post-harvesting methods, adequate storage facilities and improved packaging. Before approaching organisations abroad it is recommended that the exporter checks with local trade promotion organisations, Chambers of Commerce and foreign representatives in his/her country whether the information required is readily available. There are many organisations in European countries which are important in the field of general representation, promotion and public relations activities for exporters from developing countries.

■ Import Promotion Organisations:

In most EU countries, there are organisations (for example CBI in The Netherlands) which support the imports from developing countries through a specific export promotion programme. They can provide the following services:

- *supplying information about:*
 - statistics and publications about the national market
 - regular news bulletins
 - database of importers
 - product market opportunities
- *individual assistance:*
 - management training
 - testing products by display
 - product adaptation services
- *establishing contacts:*
 - collective trade fair missions
 - selling missions

■ Branch organisations

In most European countries producers, wholesalers and retailers are organised in branch organisations.

These organisations help new exporters to the EU, by supplying information about the market. In The Netherlands, van Sillevoldt can be contacted.

For addresses, telephone and fax numbers of Import Promotion Organisations and other organisations which can be of assistance in entering the European Union market, see list in Appendix 9.

5.7 Checklist

This section provides a checklist for the identification of export possibilities to The Netherlands and to the other EU markets. Reference is made to previous chapters in this survey and to the appendices.

Checklist for identification of export possibilities To the Netherlands (EU) market

Preparation at home for you:

- ☐ Carefully assess the strengths and weaknesses of your company to determine the status of your business and of your export capacity. If you need assistance, contact your Trade Promotion Organisation or CBI (*see Chapter 5.6.3 and Appendix 9*); Study the opportunities and threats in the Netherlands market and gather relevant up to date information on:
 - *market size, market potential and target group for your product, market trends, imports, competition, pricing (Chapters 3 and 4)*
 - *quality standards required (Chapter 5.1)*
 - *packaging and labelling requirements (Chapter 5.2)*
 - *environmental standards (Chapter 5.3)*
 - *import regulations and any expected future changes in legislation (Chapter 5.4)*
 - *trade structure: identify the best distribution channel (Chapters 3.5 and 4)*
 - *check the dates of the relevant trade fairs and obtain relevant market information from the trade magazines and from the branch organisations (Chapter 5.6 and Appendices 6,7 and 8)*
- ☐ Summarize the opportunities and (possible) threats for your product in The Netherlands, always bearing in mind the unique selling points (quality wise) of your products vis à vis your target group;
- ☐ Draw up a list of interesting business contacts (*Appendix 12*); check the web pages of importers;
- ☐ Check the period of the importers' buying season;
- ☐ Send out a direct mailing to the organisations or companies you have selected;
- ☐ Plan a personal visit.

Work to be done during the business trip:

- ☐ Look at competing products in the market (price, quality, packaging, style, promotion, market share) and assess the total possible sales volume for your product; buy samples of comparable products;
- ☐ Study the typical trade infrastructure for your product;
- ☐ Determine the most appropriate promotion opportunities to attract buyers;
- ☐ Study which cultural aspects influence the selling capacity of your product in the target market;
- ☐ Constantly update the list of possible interested partners in your product;

- ☐ Attempt to locate a possible trading partner for your product, find out his requirements concerning volume, prices, quality, service, finance, delivery, etc.;
- ☐ Analyse the possibilities for upgrading or adapting your product to meet market requirements;
- ☐ Study, and adapt to, the Dutch way of doing business;
- ☐ Think long-term to avoid impulsive decisions.

At home, after your business trip:

- ☐ Pay careful attention to follow-up activities, carry them out as soon as possible and as correctly as possible. Work according to a follow-up plan, clearly stating who in the
- ☐ firm is responsible for carrying out which activity and at what time;
- ☐ Make a thorough analysis of the opportunities found and the possibilities within your firm;
- ☐ Analyse the potential threats and possible solutions;
- ☐ Work out an export marketing strategy if the venture should prove feasible.

APPENDIX 1 PRODUCT EXPLANATION / HS CODES

1 Product explanation of herbs and spices

SPICES

Anise seed

Pimpinella anisum is native of the Middle East. The leaves have a more delicate flavour than the seeds and can be used fresh in salads and with vegetables, soft cheese and yoghurt dishes. The seeds are widely used for flavouring sweets, cakes, liqueurs, sauces and toothpaste as well as in mouse poison.

Caraway seed

This is a member of the parsley family and a dried fruit of the biennial herb. It grows well in temperate climates and has been used in Europe for a long time. It has a warm, pungent, slightly bitter flavour with aniseed overtones. It is used in rye breads, coffee cakes, seed cake, cheese spreads, goulash, sauerkraut and in vegetables.

Cardamom

Cardamom is the dried fruit of the *Elettaria cardamomum matasw*. It is used in domestic cookery. In ground form it is used in industry for baked goods, curry powder, sausages, soups and tobacco flavouring. Its oil and oleoresin is used for canned soups and meat products.

Chillies/Paprika/Capsicum

Paprika is used both as a vegetable and as a spice. The mildly purgent chillies are used mainly as spices.

Paprika powder is used as a colouring agent both in domestic cookery and in industrial food preparation. Blends of chillies and capsicum give cayenne pepper that is used in prepacked instant food and spicy sauces. Ground capsicum is used for sausages, meat, spaghetti and pizza.

Clove

Cloves are the dried unopened flower buds of the *Syzgium aromaticum*. They are used for domestic cooking, in the food industry for sauces and pickles and in the distillation of clove bud oil.

Cinnamon/Cassia

Cinnamon is the dried bark of the *Cinnamomum verum*. Cassia is the dried bark of other species of the *Cinnamomum* and is considered to be somewhat inferior to cinnamon. Cinnamon is used mainly in the food industry (puddings, sauces, pickles, beverages, biscuits, cakes, curry mixes, candies, chewing gum, confectionery) as well as domestic cooking. The oil is used in bin spice mixes, pickles, ketchup's and coca-cola type beverages.

Coriander

Coriander is an annual herb, native of the Mediterranean region. Both the leaves (herbs) and the dried native seeds (spices) are used. The leaves are used for soups and other foods. The seed is an important ingredient in curry powder, pickles, sausages and pastries as well as a flavour for gin. The seed is also the basis for coriander oil and oleoresin.

Cumin seed

Cumin is the aromatic seed of an umbelliferous (umbrella shaped) plant similar to cow parsley. Originally from the Middle East, it is now a popular spice throughout the East, Mexico, North Africa and India. It has an earthy, pungent, aromatic flavour which is slightly bitter but not hot. It is used in curries, Mexican dishes, minced meat, meat loaf, pickles, marinades, chutneys, cream cheese dips, cabbage and sauerkraut dishes.

Fenugreek

Seed of the annual herb, belonging to the pea and bean family. It is grown in warm climates such as the Mediterranean, Morocco, France and India. Fenugreek's strong, pungent, aroma has a strong and bitter flavour which often dominates curry powders. It is used in a variety of mixes (Indian shambar powder), hot seasonings for stews (Ethiopian berbere) and in mixes for chutneys and pickles.

Fennel seed

Fennel seeds are the dried ripe fruit of a graceful, feathery leafed, perennial belonging to the parsley family. Once native to the Mediterranean, it is now grown world-wide, especially in Egypt, India and South East Asia. The oval, yellowish brown seeds have a subtle, sweet anise-like flavour. It is used in bouillon for fish, fish sauces, sausages, breads, rolls and apple dishes.

Ginger

Ginger is the rhizome of the *Zingiber officinale rose*. It is traded in three forms: fresh (green) ginger, preserved ginger and dried ginger. Both preserved and dried ginger are used for domestic culinary purposes as well as for the food processing industry, notably for jams, marmalades, cakes, confectionery and desserts. Dried ginger is also used for oil extraction. The oil is mixed in beverages, confectionery and perfumery.

Juniper berries

These are the deep purple fruit of the Juniper bush found growing across the northern hemisphere. They have a bitter sweet, pine flavour with a peppery aftertaste. They are traditionally used to flavour sauerkraut, and can be used in rich beef stews, marinades, pâtés, veal, venison or pork meats. They are also used for in drink manufacturing (gin and liquors).

Nutmeg/Mace

Nutmeg is the kernel of the seed of the *myristica fragrans*. Mace is the dried aril that surrounds the single seed within the fruit. Graded nutmeg flavours milk dishes, cake and punches. Mace is used for savoury dishes, pickles and ketchup. Both nutmeg and mace are also used for oleoresin and oil extraction.

Pepper

Black and white pepper are the dried fruits of the *Pepper nigrum L.* White pepper is the fruit from which the mesocar has been removed.

Black pepper is used directly as a spice as well as for the preparation of oleoresin and oil.

White pepper is only used directly as a spice. Both are important ingredients in domestic cooking and in the food industry. A third variation, green pepper, is a speciality item used only for luxury foods.

Pimento

Pimento is the dried unripe fruit of the *Pimento dioica*. It is also called “Allspice” as the flavour is said to resemble a mixture of cinnamon, clove and nutmeg. The ground berries are used for flavouring and curing processed meat and canned meat as well as bakery products. Ground berries are also used for domestic cooking. The oil of the berries is used in the food industry for meat and fruit flavouring, while in perfumery it is used to create men’s fragrances. The oil of pimento leaves is cheaper than that of the berries but less suitable for flavouring.

Saffron

This, the world’s most expensive spice, is the dried red stigmas of the autumn-flowering crocus. It is known as much for its properties as a dye as for its unique and distinctively pungent, honey-like flavour and aroma.

It used to come from Greece and Asia and now it comes from Spain and Portugal. Spanish saffron from La Mancha is now considered to be the best quality. Saffron is used for colouring and flavouring rice for Spanish (paëlla) and Italian dishes, cakes and Mediterranean fish soups.

Turmeric

Turmeric is dried rhizome of the *Curcuma domestica val*, valued for its yellow-orange colouring power but also its aroma and flavour. Turmeric is used for domestic cookery and is also an important ingredient of curry powder. Ground turmeric is used extensively in a wide range of processed food and sauces as well as for dyes. The oleoresin is used like the ground spice in industrial applications.

Vanilla

Vanilla is the fully grown fruit of the orchid *Vanilla fragrans* harvested before it is fully ripe after which it is fermented and cured in the producer country. It is used by households and the food industry to flavour ice cream, chocolate, beverages, cakes, custards and puddings. It is also used in certain perfumes.

HERBS

Basil

The two main varieties of basil traded are sweet or common basil *Ocimum basilicum* L. and bush basil *O. Minimum*. Because of its larger leaves and richer fragrance sweet basil is commonly used as a culinary herb while bush basil is used mainly for decorative purposes and insect repellent. Basil is used extensively in French, Greek and Italian cooking and also as an ingredient in industrial production/processing of prepared meats, baked goods, sauces, vinegar and liqueurs.

Bay (laurel) leaves

The leaves of the bay tree *Laurus nobilis* are used to flavour a wide range of domestic dishes and also various types of commercially canned and preserved vegetables, meat and fish. They are a traditional ingredient of curry and of the bouquet garni. Bay berries are pressed or distilled to give a thick greenish oil used in some liqueurs.

Dill

Two species of dill are traded internationally: the leaves of the European dill *Anethum graveolens* and the fruit (seed) of the Indian dill *Anethum sowa*. Both are used for food flavouring but are not interchangeable: dill weed is herb-like and bitter, whereas dill seed is herb-like but slightly spicy. Dill seed and oils have many commercial applications in compound seasonings and pickling flavouring for food products as well as in the perfume and soap industries.

Marjoram

Marjoram *Majorana hortensis* is a perennial herb of the mint family used widely in European cooking. The dried herb faces competition from oleoresin in the production of some prepared meats and cheese. The essential oil is an ingredient in compound oils for flavouring sauces, canned meats and other food products. Marjoram also has medicinal uses.

Mint

Peppermint *Mentha piperata* and spearmint *Mentha spicata* are commercially cultivated. Mint is probably the world's most important flavour after vanilla and citrus. The essential oils meet a large part of the demand for mint flavouring and the leaves are one of the world's most important herbs. Spearmint is the variety in highest demand for culinary purposes and peppermint is used mainly for medicinal applications. Mint tea is prepared from peppermint, the most extensively consumed of the herbal teas, and mint also goes into other beverages including liqueurs. Mint oils and menthol are aromatic agents in toothpaste, mouthwashes and chewing gums.

Oregano

Oregano *Origanum vulgare* is very important in Italian and other European cooking and is also used by food processors as an anti-oxidant to curb rancidity in foods with high fat content, such as sausages. The dried herb, tincture and essential oil have applications in food flavourings and certain liqueur formulations.

Parsley

Parsley is one of the best known and most used cooking herbs, grown world-wide and used primarily as a fresh herb. The top part of the plant is used as a flavour and a garnish in cooking, while the stems in dried and powdered form serve as a food colour and a dye. The essential oils and oleoresin are used to flavour canned and cured meats and as condiments for compound aromas.

Rosemary

Rosemary *Rosemarinus officinalis* is a vegetable herb used in cooked dishes. Because of its anti-oxidant properties it also goes into the manufacture of meat-based products. The essential oil of the leaves is an ingredient in cosmetics, perfumes and insect repellents.

Sage

The most commonly traded sage herb is *Salvia officinalis*. The dried herb is used widely both in home cooking and in commercial meat processing and packing. It also goes into herbal teas and medicinal preparations. Sage oils are used to flavour liqueurs, bitters, condiments and cured meats and are an ingredient in perfumery formulations. Sage oleoresin, probably the second leading oleoresin after celery seed, is a substitute for the dry herb as a flavouring agent in industrial meat processing.

Savory

Two species of savory, *Satureia Hortensis* and *Satureia montana* are generally commercialised. The herb is used as flavouring in home cooking in Northern Europe in particular. The dried form and tincture are also ingredients in vermouths and bitters. Very small quantities of the essential oil serve as a flavouring in the food industry and as a perfume ingredient.

Tarragon

The fragrant leaves of tarragon *Artemisia dracurculus* are used, fresh or dried, as a gourmet herb in French cooking and as a popular herb in other European countries. It is an ingredient in commercial preparations including vinegar, mustard, liqueurs and perfumes. The essential oil of tarragon goes into similar commercial products.

Thyme

Thyme is a common kitchen herb. The type traded internationally is derived mainly from the flowering tops of garden thyme and white thyme. Thyme has a wide range of culinary medicinal and decorative uses. It is commonly used in stuffings and is an essential component of bouquet garni and mixed herbs. It is widely used as a flavouring in both domestic and industrial food preparations. The essential oil goes primarily into medicinal and germicidal products and also has applications in perfumes, bath preparations and other toiletries. The meat industry uses small quantities of thyme oleoresin as flavouring.

2 HS Codes Spices and herbs

H.S. code	Product description
0904	Pepper of the genus <i>Piper</i>: dried of crushed or ground fruits of the genus <i>Capsicum</i> and <i>Pimenta</i>
0904 11	Pepper of the genus <i>Piper</i> , neither crushed or ground
0904 11 10	Dried pepper for industrial manufacture of essential oils or resinoids (excluding crushed or ground)
0904 11 90	Other dried pepper (excluding crushed or ground and that for manufacture of oils or resinoids)
0904 12	Pepper, crushed or ground
0904 20	Fruits of the genus <i>Capsicum</i> or the genus <i>Pimenta</i> , dried or crushed or ground
0904 20 10	Dried sweet peppers / paprika (excluding crushed or ground)
0904 20 31	Dried fruits of genus <i>Capsicum</i> for manufacture of capsinin or capsicum oleoresin dyes (excluding crushed or ground)
0904 20 35	Dried fruits of genus <i>Capsicum</i> or <i>Pimenta</i> , for industrial manufacture of essential oils of resinoids (excluding crushed or ground)
0904 20 39	Dried fruits of genus <i>Capsicum</i> or <i>Pimenta</i> (excluding 0904 20 35)
0904 20 90	Crushed or ground fruits of genus <i>Capsicum</i> or <i>Pimenta</i> , crushed or ground
0905	Vanilla
0906	Cinnamon and cinnamon-tree flowers
0906 10	Cinnamon and cinnamon-tree flowers (excluding crushed or ground)
0906 20	Crushed or ground cinnamon and cinnamon-tree flowers
0907	Cloves: whole fruit, cloves and stems
0908	Nutmeg, mace and cardamoms
0908 10	Nutmeg
0908 10 10	Nutmeg for industrial manufacture of essential oils or resinoids (excluding crushed or ground)
0908 20	Mace
0908 20 10	Mace (excluding crushed or ground)
0908 20 90	Crushed or ground mace
0908 30	Cardamoms
0909	Seeds of anise, badian, fennel, coriander, cumin, caraway or juniper
0909 10 10	Anise seeds
0909 10 90	Badian seeds
0909 20	Coriander seeds
0909 30 11	Cumin seeds for industrial manufacture of essential oils or resinoids (excluding crushed or ground)

0909 30 19	Other cumin seeds (excluding crushed or ground)
0909 30 90	Crushed or ground cumin seeds
0909 40 11	caraway seeds for industrial manufacture of essential oils or resinoids (excluding crushed or ground)
0909 40 19	Caraway seeds (excluding crushed, ground or for industrial manufacture of essential oils or resinoids)
0909 40 90	Crushed or ground caraway seeds
0909 50 11	Seeds of fennel or juniper berries for industrial manufacture of essential oils or resinoids (excluding crushed or ground)
0909 50 19	Seeds of fennel or juniper berries (excluding crushed, ground, or for industrial manufacture of essential oils or resinoids)
0909 50 90	Crushed or ground seeds of fennel or juniper berries
0910	Ginger, saffron, turmeric (curcuma), thyme, bay leaves, curry and other spices
0910 10	Ginger
0910 20 10	Saffron (excluding crushed or ground)
0910 20 90	Crushed or ground saffron
0910 30	Turmeric –curcuma
0910 40 11	Wild thyme (excluding crushed or ground)
0910 40 13	Other thyme (excluding crushed or ground)
0910 40 19	Crushed or ground thyme
0910 40 90	Bay leaves
0910 50	Curry
0910 91 10	Spice mixtures of two or more of the products of different headings (excluding crushed or ground)
0910 91 90	Crushed or ground spice mixtures of two or more of the products of different headings
0910 99 10	Fenugreek seed
0910 99 91	Other spices (excluding crushed or ground)
0910 99 99	Other crushed or ground spices

APPENDIX 2 DETAILED IMPORT/EXPORT STATISTICS

THE NETHERLANDS

Imports of spices and herbs to The Netherlands by source, 1995-1997

ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	38,395	64,295	43,371	74,745	53,485	114,818
Intra-EU	6,753	14,421	7,043	16,568	7,553	18,685
Extra-EU	31,642	49,874	36,328	58,177	45,932	96,133
Developing countries	24,234	41,992	26,811	47,799	33,196	77,291
Main countries of origin:						
Germany	1,971	5,903	2,783	6,929	2,410	7,654
Singapore	1,107	2,384	1,903	3,950	2,542	8,534
Italy	1,266	898	836	889	1,356	977
United Kingdom	667	1,692	888	2,711	1,262	2,855
Russia	2,371	543	3,431	1,089	1,029	607
Spain	1,780	3,245	1,413	3,022	981	2,415
Hungary	404	897	488	897	969	1,765
Bulgaria	176	37	34	45	699	508
France	153	757	307	1,382	490	2,650
Belgium	466	1,010	475	1,195	440	1,482
Hong Kong	110	146	75	183	355	1,422
Developing countries:						
Indonesia	11,042	22,599	12,631	26,933	10,669	30,410
India	2,265	2,450	2,957	3,850	4,548	7,098
Vietnam	1,117	1,506	1,814	2,484	3,518	8,143
Brazil	2,357	3,729	2,479	3,972	2,870	6,769
China	1,681	2,636	1,114	1,182	1,572	5,915
Malaysia	443	1,001	293	714	1,374	4,737
Costa Rica	220	229	669	737	1,200	1,334
Thailand	1,185	1,436	690	1,179	1,112	1,843
Grenada	406	648	851	1,359	1,081	2,288
Morocco	551	418	488	398	1,004	976
Nigeria	111	71	104	103	670	838
South Africa	546	793	376	496	562	924
Turkey	388	1,402	502	1,441	500	1,550
Comoros	109	74	165	128	492	333
Sri Lanka	148	164	68	113	386	899
Madagascar	736	1,219	368	539	351	1,232
Syria	252	235	259	284	291	464
Mexico	113	164	253	331	278	401

Imports of spices and herbs to The Netherlands by source, 1995-1997

ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Iran	143	167	204	241	244	346
Jamaica	241	382	253	435	234	472
Nicaragua	98	84	48	52	194	99
Guatamala	93	282	152	293	176	325
Egypt	5	2	37	29	146	137
Seychelles	114	132	122	145	88	125
Malawi	33	59	26	51	30	103

Source: Eurostat

Imports of spices and herbs to The Netherlands by product group, 1995-1997

ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	38,395	64,295	43,371	74,745	53,485	114,818
Intra-EU	6,753	14,421	7,043	16,568	7,553	18,685
Extra-EU	31,642	49,874	36,328	58,177	45,932	96,133
Developing countries	24,234	41,992	26,811	47,799	33,196	77,291
Detailed product groups:						
Pepper, whole	11,619	25,379	12,925	28,232	16,732	55,242
Pepper, ind.oils	29	128	38	128	79	195
Pepper, crushed	774	2,629	997	2,966	1,389	5,017
Capsicum dried	638	997	890	1,358	1,281	1,905
Sweet Paprika	800	1,520	568	2,262	1,034	2,259
Paprika powder	4,389	7,427	3,489	6,663	3,855	7,575
Caraway	1,981	2,075	2,166	1,862	5,411	2,776
Ginger	3,224	3,238	4,015	4,514	4,759	5,777
Coriander	3,531	1,044	4,628	1,727	4,281	3,103
Nutmeg	2,489	3,155	3,643	4,633	4,166	7,362
Cinnamon	3,260	5,035	3,189	4,870	3,269	4,545
Cumin	815	835	969	1,081	948	1,296
Mace	594	1,507	994	2,954	905	4,462
Turmeric	901	500	620	422	881	761
Cloves	735	454	727	432	859	537

Imports of spices and herbs to The Netherlands by product group, 1995-1997
ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Mixtures	962	3,474	999	2,690	802	1,944
Anise	209	326	303	421	338	695
Curry	177	385	223	541	294	729
Fennel	221	193	165	182	287	387
Fenugreek	240	112	171	118	205	89
Cardamom	119	373	185	380	147	336
Vanilla	41	1,238	225	2,166	121	1,905
Bay leaves	69	123	113	243	123	225
Thyme, whole	26	98	93	424	42	328
Wild thyme, whole	7	31	68	260	61	256
Thyme, ground	7	20	10	33	3	20
Badian seeds	19	47	18	53	27	70
Saffron	0	70	0	67	5	77
Other spices, ground	280	1,115	586	2,123	780	3,619
Other spices, whole	239	767	354	940	401	1,326

Source: Eurostat

Netherlands imports of selected product groups by source, 1995-1997
ECU thousands/tonnes

PEPPER, whole (black/white)

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	12,393	28,036	13,960	31,326	18,201	60,545
Intra-EU	1,249	1,970	1,011	2,779	1,243	3,137
Extra-EU	11,144	26,066	12,850	28,547	16,958	57,408
Developing countries	9,337	20,840	10,639	22,424	13,016	47,902
Indonesia	5,548	13,300	6,123	15,619	3,768	15,523
Vietnam	703	1,099	1,302	2,040	3,036	7,653
Singapore	905	2,129	1,240	2,932	2,164	7,760
Brazil	1,515	2,887	1,927	3,395	2,083	5,768
India	752	1,321	1,380	2,203	1,747	4,030
China	802	1,904	61	166	1,365	5,624
Malaysia	420	943	250	621	1,363	4,714
Hong Kong	6	12	29	59	232	906
Sri Lanka	6	3	33	54	226	718
Madagascar	140	249	32	59	213	473
Turkey	48	254	61	281	124	621

Source: Eurostat

PAPRIKA POWDER

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	4,389	7,427	3,489	6,663	3,855	7,575
Intra-EU	2,675	4,477	2,172	4,073	1,782	3,348
Extra-EU	1,714	2,950	1,317	2,590	2,073	4,227
Developing countries	1,107	1,515	676	1,236	1,285	1,997
Hungary	302	811	331	780	493	1,481
South Africa	320	511	165	252	362	690
Thailand	432	218	44	32	358	228
India	75	82	239	292	285	371
Yugoslavia	125	59	212	110	135	77
Morocco	59	84	38	56	88	139
USA	75	308	78	360	67	425
China	101	157	88	165	55	78
Vietnam	0	0	18	19	28	34
Turkey	98	385	64	299	56	338

Source: Eurostat

GINGER

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	3,224	3,238	4,015	4,514	4,759	5,777
Intra-EU	59	99	140	279	392	598
Extra-EU	3,165	3,139	3,875	4,235	4,367	5,179
Developing countries	2,997	3,004	3,450	3,712	4,235	5,019
Costa Rica	220	229	667	721	1200	1,334
Brazil	839	840	552	577	787	1,001
Nigeria	97	61	79	68	611	673
Thailand	470	494	457	503	489	630
India	162	311	197	360	430	662
South Africa	204	241	210	238	199	224
Nicaragua	98	84	48	52	194	99
Singapore	70	49	343	376	109	132
China	682	486	829	691	80	99
Honduras	74	63	104	89	71	41
Indonesia	86	93	171	190	64	115

Source: Eurostat

CORIANDER

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	3,531	1,044	4,628	1,727	4,281	3,103
Intra-EU	88	51	249	105	540	508
Extra-EU	3,443	993	4,379	1,622	3,741	2,595
Developing countries	456	268	439	324	978	875
Russia	2,371	543	3,431	1,089	1,029	607
Morocco	456	268	439	324	891	793
Bulgaria	176	37	26	9	668	480
Hungary	71	19	144	51	445	179
Canada	0	0	0	0	141	119
Egypt	4	2	1	0	126	116
Czech Republic	16	4	0	0	109	77
India	0	0	0	0	66	61

Source: Eurostat

NUTMEG

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	2,489	3,155	3,643	4,633	4,166	7,362
Intra-EU	37	89	36	188	174	735
Extra-EU	2,452	3,066	3,607	4,445	3,992	6,627
Developing countries	2,385	2,991	3,408	4,213	3,794	6,301
Indonesia	1,982	2,420	2,582	2,994	2,747	4,306
Grenada	383	560	820	1,199	1,045	1,984
Singapore	65	72	173	188	172	282
USA	0	0	21	34	25	43
Sri Lanka	0	0	0	0	2	11
India	20	11	1	6	0	0

Source: Eurostat

CINNAMON

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	10,377	18,174	10,887	19,313	11,111	20,018
Intra-EU	2,345	4,596	2,301	5,104	2,372	5,067
Extra-EU	8,032	13,578	8,586	14,209	8,739	14,951
Developing countries	7,767	13,040	8,350	13,739	8,221	13,639
Indonesia	4,123	7,165	4,475	7,729	4,540	6,990
China	703	913	1,117	1,241	1,025	1,176
Sri Lanka	934	2,709	926	2,746	903	3,406
Vietnam	523	536	680	622	663	657
Madagascar	966	1,081	457	506	578	680
Seychelles	463	527	623	731	473	577
USA	32	109	83	244	363	1,023
Singapore	86	163	57	86	87	197
India	0	0	3	23	16	51
Mayotte	75	133	37	55	14	18

Source: Eurostat

THYME / BAY

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	109	272	284	960	229	829
Intra-EU	99	234	213	695	166	337
Extra-EU	10	38	71	265	63	532
Developing countries	2	4	12	13	22	18
Israel	7	33	57	249	40	238
Morocco	2	4	12	13	21	16
USA	1	1	1	2	1	2
Egypt	0	0	0	0	1	1

Source: Eurostat

EUROPEAN UNION

EU imports of spices and herbs by source, 1995-1997

ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	219,962	450,032	223,246	475,069	260831	650924
Intra-EU	63,606	171,773	64,146	180,399	75655	224823
Extra-EU	156,356	278,259	159,100	294,670	185176	426101
Developing countries	122,882	223,285	120,322	222,631	141803	326611
Main countries of origin:						
Netherlands	24,608	55,328	24,835	53,587	27,960	77,689
Germany	12,337	43,041	13,833	47,686	20,338	58,262
Spain	9,393	20,179	9,930	23,347	10,376	26,321
Singapore	3,595	8,107	4,267	9,592	5,960	22,817
Hungary	5,647	11,041	6,493	12,108	5,159	11,204
United Kingdom	3,586	10,273	3,882	12,872	4,475	15,365
France	7,255	24,878	4,870	22,391	4,193	22,884
USA	2,560	6,766	2,328	8,203	4,109	14,495
Bulgaria	2,754	1,125	2,095	2,115	3,480	3,489
Italy	2,388	4,031	2,151	4,189	2,723	4,228
Belgium	1,939	5,806	2,116	5,534	2,417	7,946
Irsrael	1,242	2,898	1,442	3,541	1,882	4,837
Poland	1,126	1,716	1,827	2,434	1,808	2,105
Developing countries:						
India	19,308	23,339	21,789	28,349	29,370	50,450
Indonesia	23,447	51,931	25,324	55,458	21,220	67,275
Brazil	14,029	25,097	12,284	21,418	10,619	28,232
China	9,641	13,634	5,843	9,110	8,813	23,849
Morocco	10,336	12,268	8,845	13,193	8,544	10,864
Turkey	5,919	12,033	7,052	14,908	7,976	18,770
Zimbabwe	5,789	6,795	4,352	7,615	7,686	12,136
Malaysia	4,423	10,367	3,769	8,527	6,526	22,546
South Africa	6,023	7,076	4,522	6,771	6,343	10,963
Vietnam	2,832	4,650	4,294	6,735	5,942	14,486
Costa Rica	1,306	1,498	2,672	3,051	3,874	5,056
Madagascar	4,254	21,666	3,493	15,058	3,779	16,669
Thailand	3,352	4,961	3,233	5,428	3,141	5,554
Nigeria	1,063	752	1,085	1,007	2,699	3,706
Egypt	2,325	1,662	4,000	3,579	2,517	2,754
Sri Lanka	2,083	5,485	2,006	4,976	2,440	7,652
Grenada	1,201	2,244	1,554	2,782	1,988	4,711
Malawi	675	950	1,137	1,660	1,461	2,906

EU imports of spices and herbs by source, 1995-1997

ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Guatamala	994	3,549	1,277	3,052	1,362	3,428
Iran	964	8,354	2,227	15,781	1,306	17,149
Tunesia	1,197	2,671	1,075	2,533	1,259	2,694
Comorros	396	2,423	353	1,704	1,044	3,213
Chile	833	2,193	441	2,190	432	2,000

Source: Eurostat

EU imports of spices and herbs by product group, 1995-1997

ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	219,962	450,032	223,246	475,069	260,831	650,924
Intra-EU	63,606	171,773	64,146	180,399	75,655	224,823
Extra-EU	156,356	278,259	159,100	294,670	185,176	426,101
Developing countries	122,882	223,285	120,322	222,631	141,803	326,611

Detailed product groups:

Pepper, ind.oils	56,946	131,541	55,242	122,893	63,439	223,697
Pepper, crushed	198	573	227	577	407	1,518
Capsicum, dried	4,164	14,610	5,017	18,725	6,671	26,344
Sweet Paprika	8,684	12,046	9,291	16,194	14,201	25,475
peppers, dried	7,741	16,677	7,082	20,051	8,704	24,600
Paprika powder	36,485	63,842	32,294	65,914	37,321	81,475
Ginger	14,659	16,470	17,047	21,465	18,253	27,034
Coriander	12,354	5,209	13,628	7,007	15,633	12,837
Cinnamon	10,377	18,174	10,887	19,313	11,111	20,018
Fennel	5,885	6,196	7,786	10,887	9,791	15,479
Nutmeg	6,520	10,491	8,270	12,801	9,606	19,725
Mixtures	8,560	27,811	9,396	29,925	8,959	27,170
Caraway	6,591	8,418	7,199	7,187	7,279	6,663
Cumin	5,503	6,252	6,287	7,542	6,729	9,287
Turmeric	5,221	3,323	4,803	3,675	5,639	5,534
Curry	3,511	5,554	3,478	5,674	4,120	7,160
Cloves	2,772	2,266	2,745	2,604	3,219	3,027

EU imports of spices and herbs by product group, 1995-1997

ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Anise	2,207	3,219	2,225	3,376	2,464	4,993
Mace	1,342	3,868	1,920	5,861	1,895	9,352
Cardamom	1,339	4,888	1,600	4,100	1,795	4,708
Fenugreek	2,226	1,160	2,030	1,038	1,710	902
Vanilla	5,129	39,744	1,494	26,045	1,658	25,765
Thyme, whole	1,702	3,683	1,628	3,958	1,758	4,495
Wild thyme, whole	276	792	332	671	397	794
Thyme, ground	372	795	350	969	332	811
Bay leaves	1,105	2,586	1,123	2,860	1,232	3,464
Badian seeds	423	1,412	505	1,468	619	1,551
Saffron	458	16,241	166	22,928	182	28,424
Other spices, ground	4,923	15,016	6,674	21,004	12,813	20,730
Other spices, whole	2,289	7,175	2,520	8357	2,894	7,892

Source: Eurostat

EU imports of selected product groups by source, 1995 -1997

ECU thousands/tonnes

PEPPER, whole (black and white)

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	61,308	146,724	60,486	142,195	70,517	251,559
Intra-EU	14,752	38,535	13,435	35,974	18,918	66,156
Extra-EU	46,556	108,189	47,051	106,221	51,599	185,403
Developing countries	38,283	83,613	38,162	77,708	39,261	132,216
Indonesia	13,889	34,990	14,404	35,765	10,034	43,206
India	6,494	12,995	8,190	14,896	9,149	26,676
Brazil	9,392	18,189	8,879	16,706	6,369	19,944
Malaysia	4,063	9,578	3,415	7,642	6,348	21,859
Singapore	3,180	7,488	3,415	8,155	5,258	20,907
Vietnam	2,203	3,840	3,368	5,585	4,919	13,079
China	2,203	5,298	672	1,822	3,142	13,027
Zimbabwe	1,307	1,546	984	2,078	1,708	3,365
Madagascar	1,312	2,467	1,020	1,908	1,550	4,007
Turkey	602	3,230	693	3,713	1,212	6,339
Malawi	47	89	872	1,186	1,016	1,449
Sri Lanka	558	1,241	564	1,159	880	3,007

PEPPER, whole (black and white)

	1995		1996		1997	
	volume	value	volume	value	volume	value
South Africa	770	888	519	831	340	630
Thailand	628	1,268	472	975	301	722

Source: Eurostat

CAPSICUM, dried whole (red/green peppers, chillies)

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	8,684	12,046	9,291	16,194	14,201	25,475
Intra-EU	1,010	1,704	864	1,803	883	2,122
Extra-EU	7,674	10,342	8,427	14,391	13,318	23,353
Developing countries	7,440	9,953	8,247	14,004	13,038	22,538
Zimbabwe	3,754	4,616	2,731	4,501	4,736	7,636
South Africa	1,307	1,618	712	1,090	2,241	3,673
India	490	564	708	956	1,688	2,302
Morocco	151	164	2,182	3,810	1,369	1,895
China	100	144	59	147	915	1,811
Jamaica	678	1,135	650	1,195	567	1,208
Mexico	392	575	540	740	487	733
Malawi	148	256	136	273	357	1,300
Brazil	195	372	279	677	193	703
Guatamala	7	9	29	48	175	265
Nigeria	31	44	36	51	134	442
Bulgaria	0	0	17	10	77	314
USA	71	151	88	171	71	114

Source: Eurostat

GINGER	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	14,659	16,470	17,047	21,465	18,253	27,034
Intra-EU	1,874	3,228	2,725	4,710	2,965	5,285
Extra-EU	12,785	13,242	14,322	16,755	15,288	21,749
Developing countries	12,053	12,301	13,422	15,314	14,844	20,870
Costa Rica	1,306	1,498	2,670	3,035	3,859	5,037
Brazil	2,665	2,889	2,599	2,802	2,636	3,812
Nigeria	972	643	1,039	944	2,494	3,024
Thailand	1,746	1,848	2,082	2,472	1,633	2,189
Nicaragua	98	84	247	262	1,072	1,208
India	371	611	551	839	1,044	1,757
China	3,330	2,920	2,355	2,568	809	1,880
South Africa	701	892	825	1,082	559	696
Honduras	102	90	182	146	260	212
Indonesia	386	356	570	689	192	273
USA	88	174	259	505	136	280
Singapore	154	133	374	422	113	149

Source: Eurostat

CORIANDER

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	12,354	5,209	13,628	7,007	15,633	12,837
Intra-EU	1,716	1,323	2,680	2,052	2,993	3,481
Extra-EU	10,638	3,886	10,948	4,955	12,640	9,356
Developing countries	1,649	1,056	2,202	1,646	3,845	3,635
Bulgaria	2,389	713	1,165	398	2,514	1,546
Morocco	691	414	1,209	781	1,764	1,624
India	878	510	849	648	1,732	1,737
Russia	3,549	814	4,670	1,390	1,636	878
Romania	487	160	358	171	1,153	724
Egypt	891	539	957	645	1,054	997
Hungary	205	87	437	219	771	379
Ukraine	378	106	431	141	355	173
Czech Republic	65	16	91	43	226	167
Yugoslavia	0	0	97	48	199	124
Myanmar	0	0	98	29	152	85
Tanzania	4	1	0	0	126	82
Thailand	24	80	43	115	122	107

Source: Eurostat

CINNAMON

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	10,377	18,174	10,887	19,313	11,111	20,018
Intra-EU	2,345	4,596	2,301	5,104	2,372	5,067
Extra-EU	8,032	13,578	8,586	14,209	8,739	14,951
Developing countries	7,767	13,040	8,350	13,739	8,221	13,639
Indonesia	4,123	7,165	4,475	7,729	4,540	6,990
China	703	913	1,117	1,241	1,025	1,176
Sri Lanka	934	2,709	926	2,746	903	3,406
Vietnam	523	536	680	622	663	657
Madagascar	966	1,081	457	506	578	680
Seychelles	463	527	623	731	473	577
USA	32	109	83	244	363	1,023
Singapore	86	163	57	86	87	197
India	0	0	3	23	16	51
Czech Republic	4	7	1	1	15	10
Mayotte	75	133	37	55	14	18

Source: Eurostat

THYME

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	2,350	5,270	2,310	5,598	2,487	6,100
Intra-EU	921	3,091	994	3,249	951	3,389
Extra-EU	1,429	2,179	1,316	2,349	1,536	2,711
Developing countries	906	1,147	845	1,017	863	978
Morocco	509	519	460	353	544	418
Poland	414	816	341	810	522	1,085
Albania	162	278	302	485	237	400
Israel	14	69	67	325	71	467
Turkey	97	133	36	67	50	93
Brazil	45	125	40	100	24	49
Lebanon	10	12	8	16	17	22
Togo	4	7	7	21	15	39
Bulgaria	26	19	5	3	12	11
Hungary	35	71	19	46	11	33

Source: Eurostat

EXPORT

EU exports of spices and herbs by product group, 1995-1997 ECU thousands/tonnes

	1995		1996		1997	
	volume	value	volume	value	volume	value
Total	90,483	244,480	89,686	264,193	102,171	326,942
Intra-EU	56,054	147,442	57,103	163,786	66,330	210,408
Extra-EU	34,429	97,038	32,583	100,407	35,841	116,534
Developing countries	4,499	10,704	4,355	10,621	4,202	11,338
Product groups:						
Pepper	13,162	35,483	11,173	31,110	17,403	63,928
Capsicum/paprika	32,195	68,502	31,937	77,283	33,414	88,287
Mixtures	9,100	32,143	8,739	32,251	11,252	41,430
Nutmeg	2,957	5,580	3,311	6,900	4,231	10,537
Coriander	2,861	1,882	4,817	3,207	4,229	4,061
Caraway	4,530	6,989	3,570	4,173	4,126	3,416
Ginger	1,803	3,211	2,811	5,096	3,454	6,766
Cinnamon	2,289	5,486	2,852	6,794	2,804	6,755
Thyme/bay	2,905	6,953	2,818	8,358	2,579	8,670
Curry	3,399	6,877	2,552	6,573	2,260	6,475
Cumin	1,213	1,829	1,102	2,013	1,503	2,087
Mace	593	1,606	788	2,628	916	4,278
Turmeric	861	1,114	829	1,231	702	1,360
Cloves	646	913	688	1,185	682	1,092
Other spices	11,969	65,912	11,699	75,391	12,616	77,800

Source: Eurostat

APPENDIX 3 STANDARDS AND STANDARD ORGANISATIONS

3.1 ESA specification of quality minima for spices and herbs - ESA Contract -

SUBJECT	
Extraneous matter	Herbs 2%, spices 1%
Sampling	(For routine sampling) Square root of units/lots to a maximum of 10 samples. (For arbitration purposes) Square root of all containers e.g. 1 lot of pepper may = 400 bags, therefore square root = 20 samples.
Foreign matter	maximum 2%
Ash	Refer to ANNEX
Acid Insoluble Ash	Refer to ANNEX
H2O	Refer to ANNEX
Packaging	Should be agreed between buyer and seller. If made of <i>jute</i> and <i>sisal</i> , they should conform to the standards set by CAOBISCO Ref C502-51-sj of 20-02-95 (see Annex II). However, these materials are not favoured by the industry, as they are a source of product contamination, with loose fibres from the sacking entering the product.
Heavy Metals	Shall comply with national / EU legislation
Pesticides	Shall be utilised in accordance with manufacturers' recommendations and good agricultural practice and comply with existing national and/or EU legislation.
Treatments	Use of any EC approved fumigants in accordance with manufacturers' instructions, to be indicated on accompanying documents. (Irradiation should not be used unless agreed between buyer and seller).
Microbiology	Salmonella absent in (at least) 25g. Yeast & Moulds 100,000/g target, 1,000,000/g absolute minimum E Coli. 102/g target, 103/g absolute minimum Other requirements to be agreed between buyer and seller.

Off Odours	Shall be free from off odour or taste
Infestation	Should be free in practical terms from live and/or dead insects, insect fragments and rodent contamination visible to the naked eye (corrected if necessary for abnormal vision)
Aflatoxins	Should be grown, harvested, handled and stores in such a manner as to prevent the occurrence of aflatoxins or minimise the risk of occurrence. If found, levels should comply with existing national and / or EU legislation
Volatile Oil	Refer to ANNEX
Adulteration	Shall be free from
Bulk Density	To be agreed between buyer and seller
Species	To be agreed between buyer and seller
Documents	Should provide: - details of any treatments the product has undergone; - name of the product; - weight; - country of origin; - lot identification/batch number; - year of harvest.

ANNEX				
PRODUCT (whole form)	ASH % W/W MAX	AIA % W/W MAX	H2O % W/W MAX	V/O % W/W MIN
Anis seed	9 (ISO)	2.5 (AFNOR)	12 (ISO)	1 (ISO)
Basil (BSI)	16	3.5	12	0.3
Bay (ISO)	7	2	8	1
Dill Tops (ESA)	15	2	8	-
Dutch Caraway (ISO)	8	1.5	13	2.5
Cardamom (ESA)	9	2.5	12	4
Celery Seed (ISO)	12	3	11	1.5
Chervil (ESA)	17	2	8	-
Chilli (ISO)	10	1.6	11	-
Chives (ESA)	13	2	8	-
Cinnamon/Cassia (ESA)	7	2	14	0.4
Cloves	7 (ISO)	0.5 (ISO)	12 (ISO)	14 (AFNOR)
Corriander	7 (ISO)	1.5 (ISO)	12 (ISO)	0.3 (ESA)
Cumin (ESA)	14	3	13	1.5
Dill Seed	10	2.5	12	1
Fennel Seed (ISO)	9	2	12	1.5
Fenugreek (ISO)	7	2	12	-
Garlic Powder	6 (ESA)	0.5 (ISO)	7 (ESA)	- (ISO)

PRODUCT (whole form)	ASH % W/W MAX	AIA % W/W MAX	H2O % W/W MAX	V/O % W/W MIN
Ginger	8 (ISO)	2 (ESA)	12 (ISO)	1.5 (ISO)
Mace (ISO)	4	0.5	10	5
Marjoram (ISO)	10	2	12	1
Mint (ISO)	12	2.5	13	0.5
Mustard (BSI)	6.5	1	10	-
Nutmeg	3 (ISO)	0.5 (ISO)	12 (ESA)	6.5 (ESA)
Onion Powder (ISO)	5	0.5	6	-
Oregano (BSI)	10	2.5	12	0.5
Paprika powder (ESA)	10	2	11	-
Parsley (not UK) (ESA)	14	1.5	7.5	-
Pepper Black	7 (ISO)	1.5 (ESA)	13 (ESA)	2 (ISO)
Pepper White	3.5 (ISO)	0.3 (ISO)	13 (ESA)	1.5 (ESA)
Pimento - Jamaica	5 (ESA)	0.4 (ISO)	12 (ISO)	3.5 (ISO)
- Other origins	5 (ESA)	1 (ESA)	12 (ISO)	2 (ESA)
Rosemary	8 (ESA)	1 (ESA)	10 (ISO)	1 (ISO)
Saffron whole (ISO)	8	1	12	-

PRODUCT (whole form)	ASH % W/W MAX	AIA % W/W MAX	H2O % W/W MAX	V/O % W/W MIN
Saffron ground (ISO)	8	1.5	10	-
Sage (ISO)	12	2	12	1.5
Savoury (ESA)	12	1	12	0.5
Tarragon (ESA)	12	1.5	8	0.5
Thyme	14 (ISO)	4 (ESA)	12 (ISO)	1 (ISO)
Turmeric				
- Whole (BSI)	8	2	12	2.5
- Ground	9(ISO)	2.5 (ESA)	10 (ISO)	1.5 (ESA)

Index to abbreviations

AFNOR Association Française
De Normalisation
BSI British Standards Institute
ESA European Spice Association
ISO International Standards Institute

Notes on Methology Used in setting Standards

*Please refer to the following methods when
analysing products:*

- Moisture	ISO 939
- Total Ash	ISO 928
- Acid Insoluble Ash	ISO 930
- Volatile Oil	ISO 6571

3.2 Standards and norms applicable to herbs and spices in The Netherlands

Norm	number	title
NEN-ISO	7541	Ground paprika
NEN	5372	Spices and herbs – measurement of raw material content
NEN	5371	Spices and herbs – measurement of sand content
NEN	5375	Spices and herbs – measurement of extract content
NEN	5374	Spices and herbs – measurement of volatile oil content
NEN	5376	Spices and herbs – preparation of test sample
NEN	5370	Spices and herbs – measurement of content of inorganic part
NEN	5379	Spices and herbs – microbiological testing
NEN-ISO	2254	Cloves, whole or ground (powder). Specification
NEN-ISO	3515	Spices and herbs – measurement of Scoville index
NEN-ISO	6539	Cinnamon (Sri Lanka, Seychelles and Madagascar types) whole or ground. Specification
NEN-ISO	5561	Dark and light caraway seed. Specification
NEN-ISO	959-1	Pepper, whole or ground (Part 1: black pepper). Specification
NEN-ISO	959-2	Pepper, whole or ground (Part 2: white pepper). Specification
NEN	5380	Spices and herbs – measurement of stabilised value
NEN	5373	Spices and herbs – measurement of moisture content
NEN-ISO	6577	Nutmeg, whole or broken, and mace, whole or in pieces. Specification (ISO 6577: 1990)
NEN-ISO	11164	Dried rosemary. Specification
NEN-ISO	3513	Chillies – measurement of Scoville index
NEN-ISO	11165	Dried sage. Specification
NEN-ISO	11163	Dried basil. Specification
NEN-ISO	11178	Badian seed. Specification
NEN-ISO	1788	Test of irradiated foodstuffs from which minerals containing silicates can be isolated. Thermoluminescent method.

3.3 Standard Organisations

INTERNATIONAL

European Community

Comité Européen de Normalisation (CEN)

Address: Rue Brederode 2, B-1000 Bruxelles, Belgium
Telephone: (32) 2-5500811
Telefax: (32) 2-5500819

International Standardisation Organisation (ISO)

Address: P.O.Box 56, CH-1211 Geneva, Switzerland
Telephone: (41) 22-7490111
Telefax: (41) 22-7333430

International Trade Center (UNCTAD/WTO)

Market News Service (MNS)

Division of Product and Market Development

Address: 54-56 Rue de Montbrillant, CH-1202 Geneva, Switzerland
Telephone: (41) 22-7300111
Telefax: (41) 22-7337176
E-mail: itcreg@intracen.org
Internet: <http://www.intracen.org>

Spice Board of India

Address: Sugandha Bhavan, N.H. Bypass, P.B. No. 2277, Palarivattom P.O.,
Cochin - 682 025, Kerala, India
Telephone: (91) 484-333610 / 333616 / 347965
Telefax: (91) 484-331429 / 334429
E-mail: sbhochn@giasmd01.vsnl.net.in
Internet: <http://www.indianspices.com>

European Commission, Directorate General XI -A-2 (Contact point EU ECO label)

Address: Rue de la Loi 200, B-1049 Brussels, Belgium
Telephone: (32) 2-2990344
Telefax: (32) 2-2990313

IFOAM (International Federation of Organic Agricultural Movements)

Address: Okozentrum Imbsbach, D-66636 Tholey-Theley, Germany
Telephone: (49) 6853 5190
Telefax: (49) 6853 30110
E-mail: IFOAM@T-ONLINE.de
Internet: <http://www.ecoweb.dk/ifoam>

Austria

Osterreichisches Normungsinstitut (ON)

Address: Heinestrasse 38, Postfach 130, A-1021 Wien, Austria
Telephone: (43) 1-21300
Telefax: (43) 1-21300650
E-mail: iro@tbxa.telecom.at

Belgium

Institut belge de normalisation (IBN)

Address: Avenue de la Brabançonne 29, B-1000 Bruxelles, Belgium
Telephone: (32) 2-7380111
Telefax: (32) 2-7334264
E-mail: croon@ibn.be

Denmark

Dansk Standard (DS)

Address: Kollegievej 6, DK-2920 Charlottenlund, Denmark
Telephone: (45) 39-966101
Telefax: (45) 39-966102
E-mail: dansk.standard@ds.dk

France

Association Française de Normalisation (AFNOR)

Address: Tour Europe, F-92049 Paris la Défense Cedex, France
Telephone: (33) 1-42915555
Telefax: (33) 1-4291565

Germany

Deutsches Institut für Normung (DIN)

Address: Burggrafenstrasse 6, D-10787 Berlin, Germany
Telephone: (49) 30-2601-0
Telefax: (49) 30-26011231
E-mail: postmaster@din.de

Italy

Ente Nazionale Italiano di Unificazione (UNI)

Address: Via Battistotti Sassi 11/b, I-20133 Milano, Italy
Telephone: (39) 2-700241
Telefax: (39) 2-70106106
E-mail: webmaster@uni.unicei.it

Spain

Asociación Española de Normalización y Certificación (AFNOR)

Address: Génova 6, E-28004 Madrid, Spain
Telephone: (34) 1-4326000
Telefax: (34) 1-3104976

Sweden

Standardiseringen I Sverige (SIS)

Address: St Eriksgatan 115, Box 6455, S-113 82 Stockholm, Sweden
Telephone: (46) 8-6103000
Telefax: (46) 8-307757
E-mail: info@sis.se

Switzerland

Swiss Association for Standardization (SNV)

Address: Mühlebachstrasse 54, CH-8008 Zürich, Switzerland
Telephone: (41) 1-2545454
Telefax: (41) 1-2545474
E-mail: post@snv.snv.inet.ch

United Kingdom

British Standards Institution (BSI)

Address: 389 Chiswick High Road, London W4 4AL, United Kingdom
Telephone: (44) 181-9969000
Telefax: (44) 181-9967400
E-mail: info@bsi.org.uk

THE NETHERLANDS

Food Inspection Services

Address: Baan 74, 3011 CD Rotterdam, The Netherlands
Telephone: (31) 10-4020800
Telefax: (31) 10-4130869

Nederlands Normalisatie Instituut (NNI)

Address: P.O.Box 5059, 2600 GB Delft, The Netherlands
Telephone: (31) 15-2690390
Telefax: (31) 15-2690190
E-mail: info@nni.nl
Internet: <http://www.nni.nl>

SKAL

Contactpoint for Skal Certification / Inspectorate for organic production methods

Address: P.O. Box 384, 8000 AJ Zwolle, The Netherlands
Telephone: (31) 38-4268181
Telefax: (31) 38-4213063
E-mail: skal@euronet.nl

Stichting Milieukeur

Contactpoint for the EU Ecolabel and for the Milieukeur label

Address: Eisenhowerlaan 150, 2517 KP Den Haag, The Netherlands
Telephone: (31) 70-3586300
Telefax: (31) 70-3502517

APPENDIX 4 IMPORT TARIFFS FOR SPICES AND HERBS

Import tariffs for spices and herbs (March 1999)

Tariff as a percentage of CIF value, excluding duties and VAT

	HS code %	GCT %	GSP
Pepper	0904 11	0	0
Pepper, ground	0904 12	4.0	0
Sweet peppers	0904 20 10	10.4	* 11.6
Dried capsicum (ind.)	0904 20 31/35	0	0
Dried capsicum	0904 20 39	1.7 - 3.3	* 5.0
Paprika powder	0904 20 90	5.0	* 4.0
Vanilla	0905	6.9 - 7.8	* 10.0
Cinnamon	0906	1.3 - 2.7	0
Cloves	0907	9.2 - 10.0	* 10.0
Nutmeg, whole	0908 10 10	0	0
Nutmeg, ground	0908 10 90	1.7 - 3.3	0
Mace, whole	0908 20 10	0	0
Mace, ground	0908 20 90	1.3 - 2.7	0
Cardamom	0908 30 00	0	0
Anise seeds	0909 10 10	0	0
Badian seeds	0909 10 90	3.8 - 7.7	* 7.0
Coriander seeds	0909 20 00	0	0
Cumin seeds	0909 30	0	0
Caraway seeds	0909 40	0	0
Fennel seeds, juniper	0909 50	0	0
Ginger	00910 10	0	0
Saffron	0910 20	2.7 - 10.0	* 10.0
Turmeric	0910 30 00	0	0
Wild thyme	0910 40 11	0	0
Other thyme	0910 40 13	8.5	* 8.5
Thyme, ground	0910 40 19	7.0	* 7.0
Bay leaves	0910 40 90	7.0	* 7.0
Curry	0910 50 00	0	0
Mixtures, whole	0910 91 10	3.3 - 6.7	0
Mixtures, ground	0910 91 90	12.5	* 3.0
Other spices, fenugreek	0910 99 10	0	0
Other spices, whole	0910 99 91	3.3 - 6.7	0
Other spices, ground	0910 99 99	12.5	* 3.0

* Imports from countries which are considered as 'least developed countries' can enter the EU at a zero tariff rate

Note: the GCT tariffs mentioned varies in the different periods of import during the year.

Source: Belasting Dienst Douane 1999

APPENDIX 5 SOURCES OF PRICE INFORMATION

International Trade Center (UNCTAD/WTO)

Market News Service (MNS)

Division of Product and Market Development

Address: 54-56 Rue de Montbrillant, CH-1202 Geneva, Switzerland

Telephone: (41) 22-7300111

Telefax: (41) 22-7337176

E-mail: itcreg@intracen.org

Internet: <http://www.intracen.org>

The Public Ledger

Address: 69-77 Paul Street, London EC2A 4LQ, United Kingdom

Telephone: (44) 171-5531000

Telefax: (44) 171-5531941

E-mail: pleditorial@llplimited.com

Internet: <http://www.public.ledger.com>

International Pepper News Bulletin

International Pepper Community

Address: 4th Floor, Lina Building, Jl.H.R. Rasuna Said Kav.B7, Jakarta 12920, Indonesia

Telephone: (21) 5205496 / 5200401

Telefax: (21) 5200401

APPENDIX 6 TRADE ASSOCIATIONS

EUROPEAN UNION

European Spice Association

Address: 6 Catherine Street, London WC2B 5JJ, United Kingdom
Telephone: (44) 171 8362460
Telefax: (44) 171 8360580

AUSTRIA

Fachverband der Nahrungs-und-Genussmittel-Industrie (sterreichs

Address: P.O. Box 144, A-1037 Vienna, Austria
Telephone: (43) 1 7122121
Telefax: (43) 1 7131802

BELGIUM

AVISPA Section Spices

Address: Roodenbeekelaan 30, B-1030 Brussels, Belgium
Telephone: (32) 2 7438741
Telefax: (32) 2 7368175

DENMARK

C/o Scandeco Ltd

Address: Dampfeergevej 21-23, 2100 Copenhagen, Denmark
Telephone: (45) 31 179409
Telefax: (45) 35 262904

FINLAND

Finnish Food Industrie's Federation

Address: P.O. Box 115, SF-00241 Helsinki, Finland
Telephone: (358) 9148871
Telefax: (358) 914887201

FRANCE

Syndicat National des Transformateurs de Poivres, Epices, Aromats et Vanille (COVIB)

Address: 8, Rue de l'Isly, F-75008 Paris, France
Telephone: (33) 1 53423380
Telefax: (33) 1 53423381

GERMANY

Fachverband der Gewurzindustrie eV

Address: Reuterstrasse 151, D-5300 Bonn 1, Germany
Telephone: (49) 228 216162
Telefax: (49) 228 229460

ITALY

Associazione Italiana Industrie Prodotti Alimentari (AIIPA)

Address: Corse di Porta Nuova 34, 20121 Milan, Italy
Telephone: (39) 02 654184
Telefax: (39) 02 654822

SPAIN

AFEXPO

Address: Calle Gonzales 2 Adelid 11-2, G-30001 Murcia, Spain
Telephone: (34) 968 214089
Telefax: (34) 968 219677

SWEDEN

Foreningen Svenska Krddtillverkare

Address: P.O. Box 5501, S-11485 Stockholm, Sweden
Telephone: (46) 8 7838272
Telefax: (46) 8 7838273

UNITED KINGDOM

Seasoning and Spice Association

Address: 6 Catherine street, London WC2B 5JJ, United Kingdom
Telephone: (44) 171 8362460
Telefax: (44) 171 8360580

THE NETHERLANDS

Netherlands Spice Trade Association

(Nederlandse Vereniging voor de Specerijhandel)

C/o Van Sillevoldt Specerijen BV

Address: P.O. Box 64, 3350 AB Papendrecht, The Netherlands
Telephone: (31) 78 6151755
Telefax: (31) 78 6153107

APPENDIX 7 TRADE FAIR ORGANISERS

FOOD INGREDIENTS (France, Germany, Hungary and other places)

Frequency: Annual
Address: Miller Freeman B.V., PO Box 200, 3600 AE Maarssen, The Netherlands
Telephone: (31) 346 559444
Telefax: (31) 346 573811
E-mail: exponl@ibm.net
Internet: <http://www.mfbv.com/food>

EUROPEAN ETHNIC

Frequency: Biennial
Address: 11 Manchester Square, London W1M 5AB, United Kingdom
Telephone: (44) 171 8863000
Telefax: (44) 171 4138251

IFE

Frequency: Biennial
Address: 11 Manchester Square, London W1M 5AB, United Kingdom
Telephone: (44) 171 4861951
Telefax: (44) 171 4138251

CURRY & ORIENTAL RESTAURANT SHOW

Optimus Exhibitions Ltd

Frequency: Biennial
Address: Kingbury House, Friday Cross Mews, Christchurch Road, Ringwood, Hampshire, BH24 1DG, United Kingdom
Telephone: (44) 1425 461561
Telefax: (44) 1425 461444
E-mail: cei@globalnet.co.uk
Internet: <http://www.cuisinenet.co.uk>

ANUGA

Köln Messe

Frequency: Biennial
Address: Messeplatz 1, D-5000 K(öln, Germany
Telephone: (49) 221 8210
Telefax: (49) 221 8213410
Internet: <http://www.kolnmesse.de>

SIAL

Frequency: Biennial
Address: 39, Rue de la Bienfaisance, 75008 Paris, France
Telephone: (33) 1 42894687
Telefax: (33) 1 42894694
Internet: <http://www.sial.fr>

ALIMENTARIA

Prosema

Frequency: Biennial

Address: Ronda Universidad 14, 4 A 08007 Barcelona, Spain

Telephone: (34) 93 4520722

Telefax: (34) 93 4516637

IBA

Central Association of German Bakery Trade

Frequency: Annual

Address: Bondorferstrasse 23, D-53604 Bad Honnef, Germany

Telephone: (49) 2224 7704-0

Telefax: (49) 2224 7704-40

EXPO FOOD

Fierra Internazionale di Milano

Frequency: Annual

Address: Largo Domodossola 1, Milan, 20145 Italy

Telephone: (39) 02 654184

Telefax: (39) 02 654822

INTERHERBA - INTERNATIONAL HERBAL FAIR

Poznan International Trade Fair Grounds

Frequency: Annual

Address: ul. Glogowska 14, 60-734 Poznan, Poland

Telephone: (48) 61 8692592

Telefax: (48) 61 8665827

BIOFACH

Sunder & Rottner

Frequency: Annual

Address: Von-Volmarstrasse 4, D-91154 Roth, Germany

Telephone: (49) 9171 4011

Telefax: (49) 9171 4016

ROKA

Koninklijke Jaarbeurs Utrecht

Frequency: Annual

Address: P.O. Box 8500, 3503 RM Utrecht, The Netherlands

Telephone: (31) 30 2955911

Telefax: (31) 30 2940379

APPENDIX 8 TRADE PRESS

INTERNATIONAL

Market News Service (MNS)

International Trade Center (UNCTAD/WTO)

Division of Product and Market Development

Address: 54-56 Rue de Montbrillant, CH-1202 Geneva, Switzerland

Telephone: (41) 22-7300111

Telefax: (41) 22-7337176

Internet: <http://www.intracen.org>

International Pepper News Bulletin

International Pepper Community

Address: 4th Floor, Lina Building, Jl.H.R. Rasuna Said Kav.B7, Jakarta 12920,
Indonesia

Telephone: (21) 5205496 / 5200401

Telefax: (21) 5200401

International Food Ingredients

Miller Freeman B.V

Address: P.O. Box 200, 3600 AE Maarssen, The Netherlands

Telephone: (31) 346 559444

Telefax: (31) 346 573811

UNITED KINGDOM

The Grocer

Wm.Reed Ltd

Address: Broadfield Park, Crawley, W.Sussex RH 11 9RT, United Kingdom

Telephone: (44) 293 613400

Telefax: (44) 293 5151174

Food Manufacture

Morgan Grampian Plc.

Address: Royal Sovereign House, 40 Beresford Street, London SE18 6BQ, United
Kingdom

Telephone: (44) 181 8557777

Telefax: (44) 181 8555548

GERMANY

Hot Spice Newsletter

Paap & Vierk Verlag Gmbh

Address: Am Sandtorkai 32, 20457 Hamburg, Germany

Telephone: (49) 40 367989

Telefax: (49) 40 367992

Lebensmittel Praxis

Address: Postfach 100606, D-5450 Frankfurt Am Main, Germany
Telephone: (49) 69 759501
Telefax: (49) 69 75 951760

FRANCE**LSA - Libre Service Actualite**

Address: 26, Rue d' Oradour-sur-Glane, 75504 Paris Cedex 15, France
Telephone: (33) 1 44 250600
Telefax: (33) 1 44 250613

SPAIN**Alimarket Revista**

Address: O'Donnel 18, 28009 Madrid, Spain
Telephone: (34) 91 5778225
Telefax: (34) 91 4313727

ITALY**Nuova Distribuzione**

Address: Via Creta 56, 25124 Brescia, Italy
Telephone: (39) 30 220261
Telefax: (39) 30 225868

BELGIUM**Distributie Vandaag**

Address: Mariennestraat 34, 1180 Brussel, Belgium
Telephone: (32) 2 3459923
Telefax: (32) 2 3460204

THE NETHERLANDS**Food Magazine / Distrifood**

Elsevier Bedrijfsinformatie B.V.

Address: Postbus 9000, 6800 DA Arnhem, The Netherlands
Telephone: (31) 26 3209903
Telefax: (31) 26 3270238
E-mail: food@ebi.nl
Internet: <http://www.ebi.nl/food>

Food Personality

Mediaset Uitgeverij

Address: Postbus 499, 6500 AL Nijmegen, The Netherlands
Telephone: (31) 24 3580722
Telefax: (31) 24 3581540

APPENDIX 9 TRADE PROMOTION ORGANISATIONS

INTERNATIONAL

International Trade Centre (ITC)

Address: Palais des Nations, P.O. Box 10, 1211 Geneva 10, Switzerland
Telephone: (41) 22-7300111
Telefax: (41) 22-7334439
E-mail: itcreg@intracen.org
Internet: <http://www.leathernet.com>

AUSTRIA

Austria Federal Economic Chamber

Address: Wiener Hauptstrasse 63, 1045 Vienna, Austria
Telephone: (43) 1-501050
Telefax: (43) 1-50206250

DENMARK

The Danish Import Promotion Office for products from developing countries (DIPO)

Address: Danish Chamber of Commerce, Børsen, 1217 Copenhagen K, Denmark
Telephone: (45) 33-950500
Telefax: (45) 33-120525

FRANCE

COLEACP

Address: 5 Rue de la Corderie, Centra 342, 94586 Rungis Cedex, France
Telephone: (33) 1-41800210
Telefax: (33) 1-41800219

GERMANY

GTZ/PROTRADE, German Agency for Technical Cooperation

Address: Dag-Hammerskjöld-weg 1-5, P.O. Box 5180, 65726 Eschborn, Germany
Telephone: (49) 6196-790000
Telefax: (49) 6196-797414
E-mail: postmaster@gtz.de

BFAI, Federal Office of Foreign Trade Information, Germany

Berlin Office

Address: Scharnhornstrasse 36, P.O. Box 650268, 13302 Berlin, Germany
Telephone: (49) 30-20145200
Telefax: (49) 30-20145204

Köln Office

Address: Agrippastrasse 87-93, P.O. Box 100522, 50455 Köln, Germany
Telephone: (49) 221-20570
Telefax: (49) 221-2057212
E-mail: 106035.377@compuserve.com

ITALY

ICE, National Institute for Foreign Trade

Address: Via Liszt 21, 00144 Rome, Italy
Telephone: (39) 6-59921
Telefax: (39) 6-59926900

THE NETHERLANDS

CBI, Centre for the Promotion of Imports from developing countries

Address: P.O. Box 30009, 3001 DA Rotterdam, The Netherlands
Telephone: (31) 10-2013434
Telefax: (31) 10-4114081
E-mail: cbi@cbi.nl
Internet: <http://www.cbi.nl>

NORWAY

The Norwegian Agency for Development Cooperation (NORAD)

Address: Tolbugaten 31, P.O. Box 8034 Deo, Oslo, Norway
Telephone: (47) 22-314400
Telefax: (47) 22-314403

SWEDEN

The Swedish International Development Cooperation Agency (SIDA) Department for Infrastructure & Economic Cooperation

Address: S-105 25 Stockholm, Sweden
Telephone: (46) 8-6985000
Telefax: (46) 8-208864

SWITZERLAND

OSEC, Swiss Office for Trade Promotion

Address: Stampfenbachstrasse 85, 8035 Zürich, Switzerland
Telephone: (41) 1-3655151
Telefax: (41) 1-3655221
E-mail: info.zurich@osec.ch

APPENDIX 10 OTHER USEFUL ADDRESSES

INTERNATIONAL

International Chamber of Commerce

Address: 38, cours Albert 1er, 75008 Paris, France
Telephone: (33) 1-49532828
Telefax: (33) 1-49532942

Food and Agriculture Organisation of the United Nations (FAO)

Commodities and Trade Division

Address: Viale della Terme di Caracella, 00100 Rome, Italy
Telephone: (39) 6-57054810
Telefax: (39) 6-57054495
Internet: <http://www.apps.fao.org>

EUROPE

European Commission, Directorate General for External Relations

Address: Rue de la Loi 200, 1049 Brussels, Belgium
Telephone: (32) 2-2991111
Telefax: no general telefax number

European Commission, Directorate General XI -A-2 (Spices and herbs)

Address: Rue de la Loi 200, 1049 Brussels, Belgium
Telephone: (32) 2-2990344
Telefax: (32) 2-2990313

Association of the European Chambers of Commerce and industry

Address: Rue Archimède 5, P.O. Box 4, B-1000 Brussels, Belgium
Telephone: (32) 2-2310715
Telefax: (32) 2-2300038
E-mail: eurocham@mail.interpac.be

Bureau for official EU publications

Address: Rue Mercier 2, L-2985 Luxembourg, Luxembourg
Telephone: (352) 499281
Telefax: (325) 495719
E-mail: alexander.von-witzleben@opoce.cec.be

Eurostat, Statistical Bureau of the European Union

Address: Rue Alcide de Gasperi, L-2920 Luxembourg, Luxembourg
Telephone: (352) 4301-34567
Telefax: (325) 4301-32594
E-mail: info.desk@eurostat.cec.be
Internet: <http://europa.eu.int/eu/comm/eurostat/images/europe.html>

Corporate Intelligence on Retailing (CIR)

Address: 48 Bedford Square, London WC1B 3DP, United Kingdom
Telephone: (44) 171-6969006
Telefax: (44) 171-6969004
Internet: <http://www.cior.com>

THE NETHERLANDS**CBI**

Centre for the Promotion of Imports from developing countries

Address: P.O. Box 30009, 3001 DA Rotterdam, The Netherlands
Telephone: (31) 10-2013434
Telefax: (31) 10-4114081
E-mail: cbi@cbi.nl
Internet: <http://www.cbi.nl>

Belasting Dienst Douane (Customs)

Dept. External and Internal Communication

Address: P.O.Box 50964, 3007 BG Rotterdam, The Netherlands
Telephone: (31) 10-2904949
Special information number (31) 800-143
Telefax: (31) 10-2904875
Internet: <http://www.douane.nl>

Centraal Bureau voor de Statistiek (CBS)

Central Bureau of Statistics

Address: P.O.Box 4000, 2270 JM Voorburg, The Netherlands
Telephone: (31) 70-3373800
Telefax: (31) 70-3877429

Food and Drugs Act**Food Inspection Services**

(Keuringsdienst van Waren)

Address: Baan 74, 3011 CD Rotterdam, The Netherlands
Telephone: (31) 10 4020800
Telefax: (31) 10 4130869

Ministry of Agriculture

Address: Bezuidenhoutseweg 73, 2500 EK The Hague, The Netherlands
Telephone: (31) 70-3786868
Telefax: (31) 70-3786123

Ministry of Economic Affairs (EVD - Trade Information)

(to be mainly contacted through the internet)

Address: Bezuidenhoutseweg 181, 2500 EC The Hague, The Netherlands
Telephone: (31) 70-3798933
Telefax: (31) 70-3797878
E-mail: evd@evd.nl
Internet: <http://www.evd.nl>

Environmental regulations (Ministry of VROM)

Address: Rijnstraat 8, 2515 XP The Hague, The Netherlands
Telephone: (31) 70-3394638
Telefax: (31) 70-3391296

Stichting Verpakking en Milieu (SVM)

Foundation for Packaging and Environment

Address: P.O. Box 95598, 2509 CN The Hague, The Netherlands
Telephone: (31) 70-3819091
Telefax: (31) 70-3819016

Greenbuss®**c/o CBI, Centre for the Promotion of Imports from developing countries**

Address: P.O. Box 30009, 3001 DA Rotterdam, The Netherlands
Telephone: (31) 10-2013434
Telefax: (31) 10-4114081
E-mail: cbi@cbi.nl
Internet: <http://www.cbi.nl>

Fair Trade

Address: Beesdseweg 5, P.O. Box 115, 4100 AC Culemborg, The Netherlands
Telephone: (31) 345-545151
Telefax: (31) 345-521423
E-mail: ellie@fairtrade.antenna.nl

APPENDIX 11 LIST OF DEVELOPING COUNTRIES

Please note that the OECD list of developing countries, as applied in this market survey, may include countries that are usually not considered as developing countries (e.g. South Korea). The countries indicated with * are ACP countries.

Afghanistan	Guatemala	Pakistan
Albania	Guinea *	Palau Islands
Algeria	Guinea-Bissau *	Palestinian Admin. Areas
Angola	Guyana *	Panama
Anguilla	Haiti *	Papua New Guinea *
Antigua and Barbuda *	Honduras	Paraguay
Argentina	India	Peru
Armenia	Indonesia	Philippines
Aruba	Iran	Rwanda *
Azerbaijan	Iraq	São Tomé & Príncipe *
Bahrain	Jamaica	Saudi Arabia
Bangladesh	Jordan	Senegal *
Barbados *	Kazakstan	Seychelles *
Belize *	Kenya	Sierra Leone *
Benin *	Kiribati	Slovenia
Bhutan	Korea, Rep. of	Solomon Islands *
Bolivia	Korea, South	Somalia *
Bosnia & Herzegovina	Kyrgyz Rep.	South Africa
Botswana *	Laos	Sri Lanka
Brazil	Lebanon	St. Helena
Burkina Faso *	Lesotho *	St. Kitts-Nevis
Burundi *	Liberia *	St. Lucia *
Cambodia	Libya	St. Vincent and Gren. *
Cameroon *	Macao	Sudan *
Cape Verde *	Macedonia	Surinam *
Central African Republic *	Madagascar *	Swaziland *
Chad *	Malawi *	Syria
Chile	Malaysia	Tajikistan
China	Maldives	Tanzania *
Colombia	Mali *	Thailand
Comoros *	Malta	Timor
Congo *	Marshall Islands	Togo *
Cook Islands	Mauritania *	Tokelau
Costa Rica	Mauritius *	Tonga *
Côte d'Ivoire *	Mayotte	Trinidad & Tobago *
Croatia	Mexico	Tunisia
Cuba	Micronesia, Fed. States of	Turkey
Djibouti *	Moldova	Turkmenistan
Dominica *	Mongolia	Turks & Caicos Islands *
Dominican Republic *	Montserrat	Tuvalu *
Ecuador	Morocco	Uganda *
Egypt	Mozambique *	Uruguay
El Salvador	Myanmar	Uzbekistan
Equatorial Guinea *	Namibia *	Vanuatu *
Eritrea *	Nauru	Venezuela
Ethiopia *	Nepal	Vietnam
Fiji *	Netherlands Antilles	Virgin Islands (UK)
French Polynesia	New Caledonia	Wallis & Futuna
Gabon *	Nicaragua	Western Samoa *
Gambia *	Niger *	Yemen
Georgia	Nigeria *	Yugoslavia, Fed. Rep.
Ghana *	Niue	Zaire *
Gibraltar	Northern Marianas	Zambia *
Grenada *	Oman	Zimbabwe *

APPENDIX 12 LIST OF NETHERLANDS IMPORTERS

Van Amstel, Visser & Co

(Importer Vanilla)

Address: P.O. Box 2, 8330 AP Steenwijk, The Netherlands

Telephone: (31) 521 514040

Telefax: (31) 521 511112

Argolanda

(Importer of hides, skins, spices)

Address: P.O. Box 45, 3000 AA Rotterdam, The Netherlands

Telephone: (31) 10 4331611

Telefax: (31) 10 4045794

Pietersil Barends B.V.

(Importer herbs and spices from South Africa and processor of sauces)

Address: Bleiswijkseweg 51

Telephone: (31) 79 3441100

Telefax (31) 79 3420831

Handelsmaatschappij Barimpex B.V.

(Importer dried vegetables, herbs, spices, fruit conserves)

Address: P.O. Box 71181

Telephone: (31) 20 6464521

Telefax (31) 20 6421935

Blok Specerijen

(Processor / packer of spices and herbs for butchers / food industry)

Address: P.O. Box 1497, 1300 BL Almere, The Netherlands

Telephone: (31) 36 5372408

Telefax: (31) 36 5372019

B. Buttner & Co

(Importer desiccated coconut and small quantities of spices)

Address: P.O. Box 100, 2920 AC Krimpen aan den IJssel, The Netherlands

Telephone: (31) 180 550055

Telefax: (31) 180 550432

Catz International B.V.

(Multinational trader / importers of spices and herbs)

Address: P.O. Box 180, 3000 AD Rotterdam, The Netherlands

Telephone: (31) 10 4113440

Telefax: (31) 10 4118913

Coppens Specerijen Specialiteiten B.V.

(Importer / processor of spices and herbs for bulk sale to butchers / wholesalers)

Address: P.O. Box 614, 3000 AP Rotterdam, The Netherlands

Telephone: (31) 10 4370311

Telefax: (31) 10 4374030

Curaçaosche Trading Company

(CTC Holding B.V.)

(Broker in Indonesian seeds and spices selling to world-wide importers)

Address: P.O. Box 525, 1110 AM Diemen, The Netherlands

Telephone: (31) 20 6604500

Telefax: (31) 20 6909104

Van Dorp Specerijen

(Importer / processor of spices and herbs; mainly for food industry)

Address: Beeldschermweg 1, 3821 AH Amersfoort, The Netherlands

Telephone: (31) 33 4561016

Telefax: (31) 33 4560999

Van Eeghen International B.V.

(Major importer of herbs and spices)

Address: P.O. Box 3699, 1001 AL Amsterdam, The Netherlands

Telephone: (31) 20 6249090

Telefax: (31) 20 6222764

Epos Specerijen

(Small blender of spices and herbs for food industry and butchery trade)

Address: Ringvaartweg 10, 1948 PE Beverwijk, The Netherlands

Telephone: (31) 251 229103

Telefax: (31) 251 220660

Euroherb B.V.

(Importer / trader organic spices and herbs)

Address: Dynamostraat 12, 3903 LK Veenendaal, The Netherlands

Telephone: (31) 318 543288

Telefax: (31) 318 542458

Euroma Produktie B.V.

(Importer / blender / packer of spices and herbs of the retail brand *Euroma*)

Address: P.O. Box 4, 8190 AA Wapenveld, The Netherlands

Telephone: (31) 38 4475510

Telefax: (31) 38 4473560

Holland Produce B.V.

(Small importer of spices and herbs)

Address: P.O. Box 777, 1440 AT Purmerend, The Netherlands

Telephone: (31) 299 471041

Telefax: (31) 299 471901

Jacob Hooy & Co N.V.

(Importer / processor / packer of spices and herbs)

Address: P.O. Box 70, 1906 BS Limmen, The Netherlands

Telephone: (31) 72 5051719

Telefax: (31) 72 5053383

Huybrechts Groep

(Major importer / processor / packer of spices and herbs)

Address: P.O. Box 165, 5700 AD Helmond, The Netherlands

Telephone: (31) 492 541415

Telefax: (31) 492 550540

Industrie & H'mij "De Molukken" B.V.

(Importers of spices, pulses, herbs, pudding powder)

Address: P.O. Box 10, 3100 AA Schiedam, The Netherlands

Telephone: (31) 10 4730366

Telefax: (31) 10 4730901

Inproba B.V.

(Manufacturer Chinese and Indonesian products)

Address: P.O. Box 38, 3740 AA Baarn, The Netherlands

Telephone: (31) 35 5412429

Telefax: (31) 35 5414379

Jadico Specerijen B.V.

(Small importer / processor of spices and herbs)

Address: P.O. Box 11251, 3004 EG Rotterdam, The Netherlands

Telephone: (31) 10 4626600

Telefax: (31) 10 4626960

M.P. van Jinnelt B.V.

(Broker buying and selling coffee and spices)

Address: P.O. Box 390, 1400 RJ Bussum, The Netherlands

Telephone: (31) 35 6917200

Telefax: (31) 35 6949036

Van der Knoop N.V.

(Importer of spices and herbs, chiefly basilicum, bay leaves and other herbs)

Address: P.O. Box 9, 3100 AA Schiedam, The Netherlands

Telephone: (31) 10 4264630

Telefax: (31) 10 4860928

Kojaks B.V.

(Importer of spices, herbs, reform tea, soaps, glass, "brown" cosmetics)

Address: P.O. Box 79, 2665 ZH Bleiswijk, The Netherlands

Telephone: (31) 10 5220889

Telefax: (31) 10 5218956

Man-Produkten Rotterdam B.V.

(Multinational importer / trader of spices and herbs)

Address: P.O. Box 253, 3000 AG Rotterdam, The Netherlands

Telephone: (31) 10 4177377

Telefax: (31) 10 4147550

J.S. Polak Kon. Specerijmaalterij B.V.

(Importer / processor of spices and herbs for bakery and retail trade)

Address: P.O. Box 2, 8330 AA Steenwijk, The Netherlands

Telephone: (31) 521 514040

Telefax: (31) 521 511112

Van Sillevoldt B.V.

(Importer / processor of spices and herbs, packers of the *Silvo* retail brand)

Address: P.O. Box 64, 3350 AB Papendrecht, The Netherlands

Telephone: (31) 78 6151755

Telefax: (31) 78 6153107

Steensma B.V.

(Importer / processor / packer of spices and herbs for bakery and wholesale trade)

Address: P.O. Box 326, 8901 BC Leeuwarden, The Netherlands

Telephone: (31) 58 2887788

Telefax: (31) 58 2884051

Unifine Industry B.V.

(Large importer / processor and trader of spices and herbs)

Address: P.O. Box 5631, 3297 ZB Puttershoek, The Netherlands

Telephone: (31) 78 6762344

Telefax: (31) 78 6762870

Verstegen Specerijhandel B.V.

(Major trader of spices and herbs)

Address: P.O. Box 11041, 3004 EA Rotterdam, The Netherlands

Telephone: (31) 10 4155100

Telefax: (31) 10 4624707

J.H. Verstegen B.V.

(Major grinder/ processor of spices and herbs of the retail brand *verstegen*)

Address: P.O. Box 180, 3000 AD Rotterdam, The Netherlands

Telephone: (31) 10 4113440

Telefax: (31) 10 4118513

Voac Oriëntspecialist B.V.

(Importer herbs and spices)

Address: Kapitein Hatterstraat 32, 5015 BB Tilburg, The Netherlands

Telephone: (31) 13 5436648

Telefax: (31) 13 5426671

Wijko B.V.

(Importer of spices and herbs to the catering sector. Manufacturer of sauces, herb mixes etc.)

Address: P.O. Box 1022, 3860 BA Nijkerk, The Netherlands

Telephone: (31) 33 2460666

Telefax: (31) 33 2460660



PUTS YOU IN TOUCH WITH THE MARKETS OF EUROPE

CBI is the Centre for the Promotion of Imports from developing countries, operating since 1971 within the policy framework set by the Netherlands Minister of Foreign Affairs and the Minister for Development Co-operation. CBI supports small and medium-sized enterprises (SMEs) and trade promotion organizations (TPOs) in developing countries, in their promotion of exports to the European Union.

CBI offers export marketing services

CBI export marketing services are based on up-to-date market information and training and are organized in the form of Integrated Export Promotion Programmes for SME exporters and Bilateral Co-operation Programmes with TPOs. Those seeking CBI marketing services should fill in CBI's exporter's company profile form and provide all relevant information, such as prices, terms and product information.

CBI market information includes

- CBI News Bulletin (11 times annually), containing market news and publication of offers;
- CBI guide "Exporting to the EU, The Netherlands as the gateway to Europe";
- Product market surveys for 80 product groups;
- Quick scans on environmental, social and health issues, for 20 product groups;
- Trade Documentation Centre;
- Manuals on subjects such as technical and environmental regulations; packaging; trade fair participation, etc.
- Greenbuss® database on European trade-related environmental policy and technology.

CBI training includes

- Orientation seminars on export planning / management, trade promotion / marketing, and trade fair participation;
- Management seminars for TPO staff on the organization of collective trade fair participation;
- Workshops in developing countries.

CBI Integrated Export Promotion Programmes

For five product groups/year consist of:

- Product market testing (Special Promotions) in the CBI Product Display Centre in Rotterdam;
- Product adaptation advice at the exporter's factory;
- Export marketing seminar;
- International trade fair participation in the EU.

Market entry services

- International trade fair participation in the EU (for selected fairs other than those which are part of Integrated Export Promotion Programmes);
- Consultancy for incoming missions;
- Support to outgoing buying missions;
- Individual assistance to visitors;
- Assistance to Trade and Marketing Centres.

CBI Bilateral Trade Co-operation includes

Trade co-operation agreements with TPOs in developing countries on:

- integrated export promotion;
- trade promotion;
- business information and communication;
- training;
- market entry services.

CBI Multilateral Co-operation

CBI co-operates with multilateral organizations (ITC/WTO) and European import promoting organizations (FORUM) to globalize trade promotion.

Please write to us in English, the working language of the CBI.

Mailing address: P.O. Box 30009 3001 DA Rotterdam The Netherlands
Phone: +31 10 201 34 34 Fax: +31 10 411 40 81
E-mail: cbi@cbi.nl Internet: <http://www.cbi.nl>
Office and showroom: WTC-Beursbuilding, 5th floor
37 Beursplein Rotterdam The Netherlands